The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

Near-War on Manchukuo Borders--- Japan Restricts News Reports

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SATURDAY, APRIL 4, 1936 VOLUME 76, NUMBER 5

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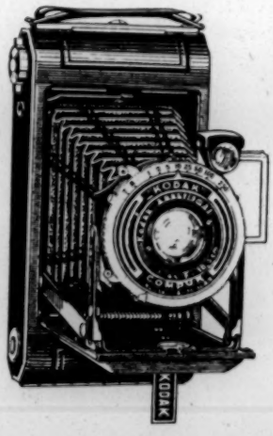

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Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China.

Volume 76 | Shanghai, China, Saturday, April 4, 1936 | Number 5

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 160 AVENUE EDWARD VII, SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher; GEO. W. MISSEMER Asst. Editor; TRYPHON V. KU, Advertising Dept.; F. K. CHAO, Business Dept.

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES EIGHT DOLLARS U. S. CURRENCY. REMITTANCES FROM OTHER COUNTRIES THAT CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

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COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 160 AVENUE EDWARD VII, SHANGHAI, CHINA, TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

JAPAN BANS PAPERS CONTAINING REPORTS OF TOKYO REBELLION

THE best indication of the trend of affairs in Japan since the military uprising of February 26 was provided in the adoption of emergency legislation for control of press and news. Of primary interest was the report in the *Shimbun-no Nihon*, March 24, that the peace maintenance bureau of the Home Office had issued orders banning the circulation in Japan of foreign newspapers containing "exaggerated" reports of the uprising. And since the tone of newspaper reports over the world was "generally unfavorable," it was admitted that the censorship officials of the Home Office "had been kept very busy in preventing the circulation of papers containing these reports in Japan." Newspapers in the United States, Soviet Russia and China apparently contained the "worst" reports, according to the Home Office, the spokesman of which declared that in view of the seriousness of the situation it would be necessary in future "to control the activities of the foreign newspaper correspondents and extend the domestic censorship to all foreign newspapers entering Japan."

Another report also referred to the matter of controlling dispatches sent to newspapers over the world by correspondents stationed in Japan. An official of the Home Office was quoted as declaring, "Unless we control the dispatches of foreign correspondents and extend our censorship to foreign publications mailed to Japan, we shall be put in a dilemma because news prohibited in Japan will be imported from abroad."

A further significant development, following the Feb. 26 incidents, was the tendency to control speech and conduct of the people throughout the country. This development apparently was a direct outgrowth of martial law which still prevails in the Japanese capital. Under the martial law regulations all regular judicial organs and procedure have been suspended and no gatherings of any kind can be held or speeches delivered without the consent of the com-

mander of military law. In order that the martial law regulations prevailing in Tokyo, may (in effect) be extended throughout the country, the Home Office (*Asahi Shimbun*, March 25) issued orders to prefectural governors throughout the country to take steps looking to the "control of speech or conduct likely to stimulate the minds of the people." The governors also were ordered to prevent all comment on the Feb. 26 incidents. The authorities will not attempt to prevent, either in Tokyo or outside, any comment on bills introducted in the forthcoming session of the Diet, but they will prevent "any cutting comment on the Feb. 26 uprising or discussion of present conditions . . . . freedom of speech is to be controlled to a considerable extent . . . ."

While international attention was attracted by the action of the Tokyo police in arresting, confining in jail for seventeen days and then deporting, an English writer named Gerald Samson who was charged with "agitating against martial law," little has been heard about police persecution of Japanese newspapers and the men responsible for their production. It was not without its humorous features that the heavy hand of the police was first felt by the Tokyo branch of the official *Manchukuo News Agency* which is staffed entirely by Japanese newspapermen formerly in the service of the semi-official *Rengo* in Manchuria. The chief of the agency, a Japanese newspaperman named Serisawa and seven reporters were arrested on the night of March 17 and charged with the circulation of exaggerated reports of the Feb. 26 incidents in Manchukuo. Mr. Serisawa claimed that he had compiled a confidential report which was issued to the agency's clients consisting of newspapers, banks, business houses and governmental offices in the puppet state, but that these reports, instead of being kept secret had been circulated freely and in some instances published. It was stated that severe punishment would be meted out to all officials of the agency responsible for circulating secret documents, which constitutes a violation of martial law.

The *Asahi Shimbun*, outstanding liberal newspaper in Japan, was first to feel the wrath of the rebel militarists. Its office was seized and type-cases overturned at the beginning of the incident in the early morning hours of Feb. 26 and in consequence the paper was prevented from issuing its regular afternoon edition of that day. The first knowledge that many Tokyo businessmen had of unusual developments was the appearance of a military guard with machineguns in front of the *Asahi's* building. Later on the War Office raised objections to Premier Hirota's appointment of Hiroshi Shimomura, Vice-President of the *Asahi* to a position in the new Cabinet. It was therefore not unexpected that the staff of the paper, together with the staff members of its sister publication, the *Osaka Asahi*, recently met in Tokyo and decided to change the paper's policy "to accord with current tendencies." A writer in the *Shimbun-no Nihon* speculated on whether it would be possible for the *Asahi* which had followed a liberal democratic policy since its founding in 1890, to now give up liberalism and "cater to the new conditions." Of further interest was the arrest of Yutaka Noda, former *Asahi* writer on economic questions, who was charged with espionage in connection with a "certain country," presumbaly Russia. Yasuzumi Yamazaki, former financial editor of the *Yomiuri Shimbun*, also was arrested and is still being held by the gendarmerie corps, the charge against him not having been announced.

The April issues of most of the popular Japanese magazines, now arriving in Shanghai, contain carefully written accounts of the recent Tokyo disturbances. It was claimed that the magazines had better luck than the newspapers because they had time to show proofs of their articles to the authorities before the April issues went to press.

Of possibly greater significance even than the foregoing developments, was the report on March 31 (*Domei*) indicating that the Government had finally succeeded in forcing the amalgamation of the two leading Japanese news agencies, *Domei* (formerly *Rengo*) and *Nippon Dempo*. The attempt of the previous Cabinet to bring about the amalgamation of the two powerful agencies had failed, despite the fact that *Rengo* had been converted into the enlarged *Domei* for the purpose of taking over the more liberal *Nippon Dempo*. But *Nippon Dempo*, supported by some 50 leading provincial newspapers, had remained cold to the proposal. The original scheme for amalgamating the two news agencies into one large "national" news gathering and distributing organization was supposed to have originated with Koki Hirota, Foreign Minister several months ago. But while he had the support of the Communications Ministry and the military services the plan could not be put into effect because of the refusal of *Nippon Dempo* to concur.

But conditions in Japan have changed since Feb. 26 for we are now informed that Premier Hirota entrusted the Communications Minister, Mr. Tanomogi; War Minister Terauchi and Navy Minister Nagano with an "arbitration plan" designed for the purpose of facilitating the amalgamation of the two agencies. The directors of *Nippon Dempo* met to consider the scheme on March 24 and it was first reported they still refused to comply, but official pressure apparently was too strong, for the report came through on Tuesday evening that the agency had finally voted to comply with the Government's wishes. The arrangement, as reported by Communications Minister Tanomogi, pro-

vided for the liquidation of *Nippon Dempo's* news service, economic news service and news photo services in favor of *Domei*. All clients of *Dempo* will be turned over to *Domei*, who will pay *Dempo* the sum of Yen 1,800.000. All properties of *Dempo* will be taken over and as many *Dempo* employes as possible will be given jobs with *Domei*. The large advertising agency business operated by *Dempo* will be continued in a separate organization and with it will be amalgamated the advertising business formerly conducted by *Domei*. For this *Dempo* will pay *Domei* the sum of Yen 250,000. Two directors of *Dempo* will be appointed to the board of *Domei* and two men recommended by *Domei* will be elected directors of *Dempo*.

Significance in this development rests in the fact that the combination of the two agencies into one large national agency carries with it a complete monopolization of news in Japan and while nothing has been said about official control, that element is an obvious development, for *Domei* already controls all news broadcasting in the Island Empire. A report in the paper *Shimbun-no-Nihon* (March 23) contained this revealing statement, "The military authorities desired the realization of a strong national news agency representative of the state." The military authorities also thought that the present international situation necessitates the early creation of a "Ministry of Propaganda," or official intelligence bureau that would be in a position to make decisions on fundamental policies concerned with domestic and international public opinion and official propaganda. Following the creation of this organ the militarys favored the organization of a representativer state news agency.

Near-War Situation Develops on Mongolian-Manchurian and Manchurian-Soviet Frontiers

TO the long list of border clashes on the Manchukuo - Mongolian - Soviet frontier which have occurred during the past year, two of the most serious character occurred during this week, and for a time it appeared as though the generally believed to be inevitable war between Japan and Russia was about to break out. But calmer counsels were interposed on both sides and the result is that the incidents are to be treated as "local affairs,"—at least that is the Japanese attitude. The latest telegrams from Moscow showed that the Soviets had stiffened their point of view very considerably.

The first incident occurred on March 25 at Chanlingtse, about 16 miles southeast of Hunchung, at the junction of the Manchukuo, Soviet and Korean borders, March 25. The first *Domei* account made no mention of any one having been killed, a dispatch from Tokyo quoting a War Office communique as saying that twelve Japanese and Manchukuo officers and men were wounded. *Reuter* and *Tass* messages, however, contained the information that the Japan-Manchukuo forces left two dead—an officer and a private. The official Sovet statement said that 50 to 60 Japanese soldiers, armed with machine guns, crossed the frontier and opened fire on a Russian blockhouse. The Russians counter attacked, and the Japanese, when evening fell, retreated after both sides had suffered several casualties. The second incident to exacerbate Soviet-Japanese relations occurred on the afternoon of March 29, when two Outer Mongolian planes dropped bombs on a Japano-Manchukuo border patrol, near Taulan, as the result of which two soldiers were killed. The Army's communique said that the patrol was proceeding in a motor truck nea Taulan, a border outpost about 60 kilometer southwest of Lake Buyer-Nor, when two planes crossed the border and dropped bombs on the detachment. The attacked patrol, the communique said, subjected the aircraft to a withering fire, forcing the planes to return to Outer Mongolian territory.

These two major incidents were in addition to several of a minor character.

With reports from both Moscow and Tokyo of concentrations of troops by the opposite side there seemed to be danger of war breaking out, but the situation cooled off somewhat when it was announced from Tokyo on March 28 that the headquarters of the Korean Army had countermanded its order to organize troop trains to rush reinforcements to Changlingtze, where Japanese and Soviet border guards had clashed the previous Wednesday. The decision to countermand the instructions was reached at a conference of high officers of the Korean Army, following a report by a staff officer on his observations during a flight over the scene of the clash. Another message from Seoul had reported concentration of Soviet troops near Changlingtze and of Soviet warships in Posiet Bay.

There was the usual array of protests, both the Japanese and the Soviets trying to lay the blame on the other side, and claiming that the forces of the other side had encroached their territory. In this respect the Soviets had the best of the argument as one of their protests pointed out that the two dead Japanese were found way inside the Soviet territory. M. Stomonyakov, Assistant People's Commissar for Foreign Affairs in Moscow Mar. 28 resolutely

rejected a protest filed by the Japanese Government in connection with the Changlingtze clash as being "absolutely groundless and in sharp contradiction to indisputable facts." Mr. Ohta, the Japanese Ambassador in Moscow, in his protest of March 27 had asserted that the Japanese detachments had not crossed the Soviet border, but being on the Manchurian territory, they were subjected to causeless firing from the Soviet side, as a result of which the battle started. Mr. Stomonyakov stated that the bodies of two Japanese soldiers who had been killed in the affray were found in Soviet territory, 250 metres from the border. In addition, M. Stomonyakov alleged, there were also discovered in Soviet territory numerous articles of Japanese army equipment and ammunition, including 27 loaded grenades, 85 cartridges, 1,600 empty cartridge shells, a tent, an aluminum journal with copies of reports, a Japanese military helmet, and a blood-stained officer's cap. At the same time, M. Stomonyakov confirmed the protest and the demands presented by M. Yurenev to Mr. Hirota in which Mr. Yurenev, demanded strict investigation of the actions of local Japanese authorities and punishment of those guilty: also reserving the right to present additional demands concerning the compensation of the victims.

Simultaneously, M. Stomonyakov filed a protest in connection with information received during the conversation with Mr. Ohta, that, on March 27, five armed horsemen penetrated from Manchuria into the Soviet island in the Argun River, two kilometres southeast of Sredneborzinsk village, and attacked three members of the Soviet border patrol. As a result of an exchange of shots, three invaders were killed, and the remaining two retreated. The invaders left behind on the spot of the clash a light machine-gun, two mausers, and a rifle. M. Stomonyakov called the attention of the Ambassador to the fact, that during the last few days, attacks on the Soviet borders had again become more frequent. He advanced the supposition that evidently some local Japanese authorities in Manchuria are dissatisfied with the anticipated possibility of the improvement of Soviet-Japanese relations, and, in this connection, they were purposely provoking new border conflicts.

A strong note, protesting against the frontier clash of March 24, was addressed Mar. 28 by Chang Yen-ching, Manchukuo Foreign Minister, to M. Guendun, Premier of Outer Mongolia. The note demanded the payment of indemnity and punishment of those responsible.

Two Japanese Dead Handed Over by Soviets

Japanese accounts alleged that the Japanese officer and soldier found dead by the Soviets after the encounter last Wednesday at Hungchun had been carried over the border together with some of their own dead and wounded. At any rate, the Soviet authorities, on request, handed over the two dead Japanese to the Japanese authorities for conveyance back to Japan.

Japan Rejects Soviet Counter-Protest

Japan on Mar 27 rejected a Soviet counter-protest charging Nipponese troops with attacking Soviet border guards on Manchukuo's eastern frontier on Mar. 25. Simultaneously, Koki Hirota, Premier and Foreign Minister, cabled instructions to Mr. Ohta, Ambassador to Moscow, to seek the creation of commissions to arbitrate border disputes and demarcate the border at the earliest moment. Later developments, however, made the creation of such a commission rather doubtful.

Ulan Bator Hural Approves Moscow Pact

Unanimous approval of the Soviet-Outer Mongolian pact for mutual assistance formed the main feature of the 20th general assembly of the Central Executive Committee of the Outer Mongolian Republic which closed in Ulan Bator Mar. 27. The Hural also voted its approval of the Government's diplomatic policies, including the projected negotiations with Manchukuo, and its efforts to strengthen the national defense. The Hural accepted Mr. Guendun's resignation from the Premiership, appointing Mr. Amo, Chairman of the Central Executive Committee, in his stead. The latter will be succeeded as the head of the Hural by Mr. Toksom.

The Hural approved the external policy of the Government of the Mongolian People's Republic, and in particular, expressed the agreement in mutual assistance between the U.S.S.R. and the Mongolian People's Republic, and also approved the Soviet Government's line in the negotiations on border questions with Manchukuo, as well as all work carried out by the Government in defending the national independence of the Mongolian People's Republic.

Manchukuo Protests Mongol Border Clash

A strong note, protesting the recent frontier clash in the vicinity of Lake Byer Nor, was addressed by Chan Yen-ching, Manchukuo's Foreign Minister, to Mr. Guendun, Premier of the Outer Mongolian Government Mar. 28. The note demanded the payment of an indemnity and the punishment of those responsible for the incident.

Soviet-Afghan Treaty Is Renewed for Another Decade

The treaty of mutual non-aggression and neutrality concluded between Soviet Russia and Afghanistan in 1931 was renewed Mar. 29 when it was extended for a period of 10 years, up to 1946. A protocol to this effect was signed by the Afghan and Soviet Foreign Ministers.

Evidence of Sino-Soviet Accord Seen by "Havas" in Chinese Silence

China's silent acquiescence to the conclusion of a military treaty of mutual assistance between the Soviet Union and Outer Mongolia was cited by the Moscow correspondent of *Havas*, as "the most eloquent evidence" of the existence of a Sino-Soviet agreement.

Chen Kuo-fu, who was scheduled to leave for Moscow in order to negotiate with the Soviet authorities in connection with the conclusion of a Sino-Soviet agreement, has arrived in Peiping, according to a Peiping message in the Shanghai *Nichi Nichi*.

Gaimusho Spokesman Says Soviet Is "Dangerous Neighbor"

A spokesman of the Gaimusho commented Mar. 30:—"It is a dangerous neighbor that fires on a passer-by along the boundary line without warning. A good neighbor usually warns before firing."

Korean Revolurionaries Make Another Attack on Japanese

One Japanese was killed and another wounded as a result of an armed clash between some 10 Japanese policemen and some 60 Korean Revolutionaries Mar. 26 at Pinganpeitao. The Koreans retreated after the arrival of Japanese reenforcements.

Anti-Japanese Volunteers Active in Manchuria

Japanese volunteers have been extremely active in Manchuria in the recent months; the Japanese military authorities have organized the police forces into a regular army. Fully armed, these people have been stationed at strategic points for the suppression of the anti-Japanese volunteers, who are referred to as "bandits" by the Japanese.

Valuable Gift From Chinese Republic to U.S.S.R.

On March 26, at VOKS in Moscow a valuable collection of books entitled "Shih Koo Chien Shu" presented by the National Government of the Chinese Republic, was given over to the All-Union Library named after Lenin. The collection consists of two thousand volumes. M. Chernyavsky, Assistant Chairman of VOKS noted that the presentation to the U.S.S.R. of the valuable collection of Chinese books represents an important contribution to the cultural rapprochement between the Chinese Republic and the U.S.S.R.

Peiping Professor Asked to Answer "Certain Questions"

Professor Wang Hung-lien of Chungfa (Sino-French) University was "invited" by the Peiping gendarmes headquarters Mar. 29 to answer certain questions. The *Sin Wen Pao* published a report that "Professor Wang is believed to have certain connections with a certain movement." Professor Wang's home was also searched.

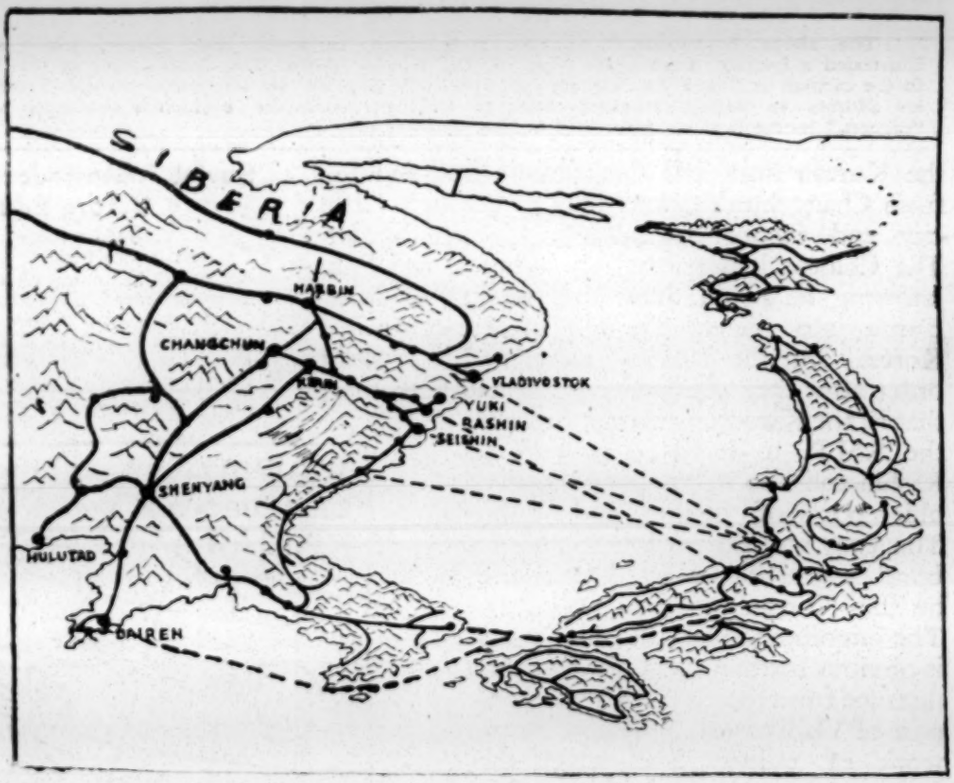
Japan Speeds Up Sea-Land Communications With Manchukuo—For Peace or War?

TWO announcements last week, one from Tokyo and the other from Hsinking, capital of Manchukuo, told of the tremendous strides made by Japan in speeding up communication with the puppet state of Manchukuo. The announcements were of special interest in view of the growing seriousness of the relations between Tokyo and the Soviet Union, because the element of quick transportation for troops andmilitary supplies may have an all important bearing on the outcome of the forthcoming struggle. The first of the Japanese announcements told of the inauguration of an express ferry service across the Korean and Tsushima channels between Fusan, Korea and Shimonoseki, Japan. Two new ships of 6,750 tons, capable of 23 knots are shortly being placed in service. The details of construction of the ships were of special interest. All cabins will be constructed of fireproof materials and the keels will be separated into a large number of watertight compartments to prevent sinking in case of damage to the hull. Accommodations will be provided for 1,200 third-class, 220 second-class and 46 first-class passengers, while bunks will be available for 200 third-class and 80 second-class and all first-class passengers.

The ships will be able to cross the channels in eight hours.

The correspondent of *Domei* who wrote this report could have made it more realistic by stating that the two new ships were constructed in such manner as to serve as military transports in time of war; that each will carry a full regiment of troops with officers; that the hulls were constructed in such manner as to minimize possibilities of sinking in case of submarine attack and finally, unlike most Japanese passenger ships, the cabins of the new "luxury liners" have been fireproofed so as to prevent disaster in the event of air attacks.

The other report stated that travel from Hsinking, capital of Manchukuo to Tsuruga, Japanese port facing the sea of Japan would be reduced to 47 hours next October when the Japanese government-controlled and operated South Manchuria Railway inaugurates its new land-sea service from the new port of Rashin, Korea. The present schedule on the Hsinking-Seishin-Tsuruga route requires 55 hours of travel, but in October the new port of Rashin, located about 50 miles north of Seishin, will be ready for the service of a new steamship line



Above Sketch Shows Lines of Communication Between Japan and East Asiatic Continent. Rail Lines in Black; Dotted Lines Show Steamer Lines

known as North Nippon Yusen Kaisha. The regular ship operated on the Tsuruga-Vladvostok service will also call at the new port.

In order to cut down the time in traveling from Japan to Manchukuo, particularly the type of travel conducted by troop-transports, the Japanese, under military pressure and the expenditure of many tens of millions of yen, have developed in the brief period of five years, three remarkable new ports on the upper northeastern Korean coast, of which Rashin is the newest and most important. Yuki, the third port, is about 50 miles north of Rashin. All three ports were literally blasted out of the side of the Korean Kom Mountain range which comes directly down to the sea for a considerable distance along this precipitous coastline, only cut at long intervals by narrow valleys inhabited by a few Korean fishermen. Immediately following the Mukden "explosion" on the night of Sept. 18, 1931, the Japanese army started construction of the railway link between

CARTOONIST FISHER ILLUSTRATES AMBASSADOR SZE'S FAVORITE JOKE

LIKEE AMELICAN SOUPEE?
M-M
LIKEE FISHEE?
M-M!
AND NOW FOLKS LET ME INTRODUCE FU MONG, OUR GENIAL GUEST FROM THE FAR EAST!
-AND IN CONCLUSION, MY FRIENDS, I WISH TO SAY THAT THIS HAS BEEN A MOST DELIGHTFUL VISIT INDEED!
LIKEE SPEECHEE?
9-21
Fisher

Reprinted from The China Press

The above "comic-strip" by the well-known cartoonist, Bud Fisher, which appeared in *The China Press* recently, illustrated a favorite humorous story of Dr. Sao-ke Alfred Sze, Ambassador to the United States. The story depicted in the cartoon is based on the use of "pigeon" English by foreigners in the Treaty Ports, the speaker, who delivered an address in perfect English, being a Chinese, while the occidental character, who persisted in addressing him in "pigeon," is the familiar Mutt of the Mutt-and-Jeff cartoon.

the Korean lines and the Chinese line running from Changchun (now Hsinking) through Kirin city and thence toward the Korean border. The Chinese had refused to complete the link, knowing it would draw that section of Manchuria into the sphere of Japanese-controlled Korea. But the Japanese completed it in short order after they obtained control and then they, that is, the Kwantung Army, ordered the S.M.R. to build a new port at Rashin and also to improve the two older ports of Seishin and Yuki. The cost was covered in S. M. R. bond issues floated in Japan and by the Korean colonial treasury. The significance of the new ports is obvious for they are only a short distance from the Soviet Far Eastern port of Vladivostok. The new network of railway lines which the Japanese have built in this section of Manchuria, tributary to the new Korean ports, were developed largely with the object of enveloping the port of Vladivostok and the Soviet Far Eastern capital, Khabarovsk, in the event of war between the two countries. The ability to transport troops from the Tokyo district to Hsinking, capital of Manchukuo in 47 hours would give Japan a tremendous tactical advantage over the Russians who must haul their troops across a continent before reaching the fighting zone. However, the Russians have largely overcome their handicap by gradually building up their forces in the Far East and placing them on a self-sustaining basis both from the standpoint of food and military supplies. The Russians also have tried to match the Japanese port development on the upper Korean coast by improving conditions at Vladivostok and they have matched the Japanese railway net-work by double-tracking the Trans-Siberian and building branch lines to the border in places likely to be threatened by a Japanese attack.

Soviet Ambassador Speaks on Soviet Education Before Educational Association

D. V. Bogomoloff, U.S.S.R. Ambassador to China, delivered a speech on the People's Education in the U.S.S.R. at the annual meeting of the International Educational Association held in the New Asia Hotel, Shanghai, Mar. 27.

In the course of this speech M. Bogomoloff said the number of students in colleges in Russia at the end of the First Five-Year Plan went up to 2,846,000. Even already in 1932, all children in towns could enjoy a 7-year course of free education. The number of universities and special higher schools during this period also increased. For example, in 1915, the number of students in higher schools of all kinds was 125,000; in 1928, it was already 160,000, and in 1932, 394,000. There was to be seen a still greater rise in the number of students in special technical schools (providing a general college education and some special training: industry, agriculture, medicine, pedagogy, etc.). The number of students in these technical schools increased from 48,000 in 1915, to 254,000 in 1928 and to 754,000 in 1932. There has been also organized an extended net of factory schools, the task of which is not only to give general education to workers occupied in the factories, but also to raise their qualification for work. This became especially necessary in connection with the industrialization of the country. The new machinery, which was imported from abroad, required qualified workers and those factory-schools played a very important role in preparation of qualified cadres for Soviet industry. The number of workers visiting fatcory schools increased from 178,000 in 1928, to 975,000 in 1932.

In order to make it easier for adult workers to extend their general knowledge, the Soviets established many of the so-called workers' faculties; the task of these faculties is to give the adult workers a general education corresponding to that of a college. The number of workers studying at these faculties increased from 50,000 in 1928 to 975,000 in 1932.

Кружками отмечены «независимые» провинции. *Рис. Евгена.*

The inscription on the above cartoon reproduced from the Moscow *Evening News*, reads, "The rings on the chain' indicate territory controlled by Japan."

Consular Body Orders New Election for Members of Shanghai Municipal Council

THE protest of the Japanese community against the blunder of the scrutineers (tellers) in the Municipal Election last week of overlooking 323 ballot papers (most of which were Japanese), in counting the vote for members of the Shanghai Municipal Council had an immediate effect. On March 27, N. Aall, Consul General for Norway and Senior Consul, informed the Municipal Council that the interested heads of consulates had decided that, as a result of the error made in counting the ballots, the election held on March 23 and 24 had been declared invalid. Mr. Aall transmitted a notification calling for a new election on Monday and Tuesday, April 20 and 21 next, and stated that the Consular Body was of opinion that the fresh election should be entirely *de novo* including new nominations made in accordance with the provisions of the Land Regulations. Thereupon the Secretary of the Council fixed said dates for a new election. Nomination papers must be delivered not later than 12 o'clock noon on Thursday, April 9. On March 30 the Municipal Council appointed Messrs. J. W. Carney, (American), V. St. J. Killery, (British) and T. Yamanoto (Japanese), who are members or former members of the Council, a Committee to investigate the circumstances in which 323 ballot papers were overlooked in the count of the vote at the election of members of Council on March 23 and 24.

In connection with the demand for the calling of a new election the *Shanghai Mainichi* commented that the mistake in counting of votes was unprecedented in the history of the administration of the International Settlement. "This not only spoiled the dignity of the Settlement, but also brings about a shadow over the administration of the international town," the *Mainichi* said, adding, "the mistake of the S.M.C. is not an intentional one. However, this mistake is a serious one, and the passing over of it with negligence would give rise to even more difficulties to the future administration in the Settlement."

Mr. Hayashi, chairman of the Japanese Election Committee, made a demand for the immediate resignation of the Municipal officials responsible for the error. "We have always doubted the efficiency of the municipal administration," Mr. Hayashi told reporters. "The election blunder has only substantiated this view by vividly exposing the administration's defects. The residents cannot rely upon such an unfaithful administrative organ."

The ballot-counting blunder was commented on editorially by the *Manchester Guardian*, which said it was not likely to ease the political feeling in the International Settlement, and a revision of the Land Regulation would probably be necessary. "Yet," the journal added "one can hardly welcome the prospect of increased control by the Japanese however justified they may be in this particular instance, when they alone of the foreign communities in the International Settlement reject the principle, which is only just and ideal, of the ultimate restoration of the Settlement to China."

A strong defense of the Council, its policy and its constitution was made by H. E. Arnhold, the Chairman of the Shanghai Municipal Council. at the annual dinner of the Society of Chartered Accountants in China, which was held Mar. 27 in the Shanghai Club. Mr. Arnold referred to an article in the *Shanghai Times* in which it was stated:

> **We do not care very much if all our Councillors were Hottentots so long as they gave us good, efficient, just and economical administration plus a little more energy in overcoming many of the disabilities to which an ancient set of Land Regulations condemns us."**

Mr. Arnhold commented that it is useless for the Council to attempt something which it had not the power. Frequent attempts to change the Land Regulations had ended in failure as the Chinese authorities had refused to agree to any change, he said. After outlining the circumstances under which Chinese councillors were admitted, Mr. Arnhold said that as long as the Anglo-American group hold half the seats on the Council with a British or American Chairman holding a casting vote (as is the case at present) the interests of the foreign community as a whole appeared to be safeguarded. But this position, Mr. Arnhold said, had now been challenged by the Japanese. "We are bound to question the reasons for this challenge, the more so as the election of two Japanese members was assured since there were only seven other candidates," Mr. Arnhold commented.

At last reports it was indicated that the Japanese community, having gained their point for the holding of a new election, and seeing the opposition there was to their having three Councillors and with considerable chances that in a second election they would again be defeated, are willing to put forward only two candidates. The British and American communities have also announced that they would put forward the same candidates as before, namely five British and two Americans. Should these three nationalities carry out this idea there would be no need for an election, as there would only be nine candidates for the nine posts. But, there is no telling what might happen in the meantime. If the Japanese should at the last moment decide to put in a third candidate after all, or if some of the other foreign nationalities here should decide to put up a candidate

(*Continued on page 154*)

American Motor-Tires Eliminated by Japanese Competition, Companies Withdraw

JAPANESE competition is by no means a new phenomenon. It has been felt by all important industrial nations, not only within their own shores but in the countries where their products are sold.

The reason why Japanese products sold at the expense of Western products was price and price alone. The quality of Japanese goods, even admitted by the Japanese themselves, did not begin then, as now, to compare with goods from other countries. The method of lowering prices was indeed easy for the Japanese: depreciated currency, cheap labor, combined with government subsidies.

But now, in China at least, the Japanese are not content with pushing their trade in a so-called legitimate fashion. With all their subsidies, with all their cheap labor, Chinese refused to buy their products—until, bluntly speaking, underhanded methods, diplomatic pressure, and military pressure has been used to force Chinese orders of Japanese products to the exclusion of foreign products.

There have been many indications in the past of this policy, but in recent months the situation has become vividly clear with the announcement that one of the largest American tire manufacturing companies, which formerly enjoyed a profitable business here, is withdrawing its own agency and own China staff, leaving its business in the hands of an agency,—all because of Japanese competition. This company, it is necessary to point out, is the last American tire company to remain in the market here with its own representatives the others having left their trade in the hands of agencies in December, 1934, and in December of last year.

Up to the latter part of 1932, all foreign tire companies in China were operating at reasonable profits. From that time on, however, Japanese competition has steadily made inroads. The method of Japanese dealers was easy. First, as mentioned before, they had cheap labor and subsidized factories to start with. Secondly, they copied to the last detail all the advances made by American and British firms, even using the same style of letters for the name of their tires. These advances, made in American and British laboratories at great expense, were copied with infinite detail, tread design, side-wall construction, et al. Elsewhere is reproduced a photograph of a Goodyear tire, a well-known American make, and a "Bridgestone" brand of Japanese tire. There is no need to comment further on how the former has been copied by the latter.

Recently there have been opened in Japan Goodrich and Dunlop factories, which brings the total of leading Japanese tire manufacturing companies there up to about seven. With the exception of Goodrich and Dunlop Japanese-made tires, whose factories have foreign superintendents, all other Japanese tires are far inferior to foreign makes, and the Goodrich and Dunlop Japanese-made tires are stated not to compare with foreign makes. All tires of the same size and quality made in Japan, including Goodrich and Dunlop, sell at the same price, in Japan, Manchuria, and North China.

This is an illustration of a genuine "heavy duty all weather" Goodyear tire made in the home plant of the Goodyear Tire and Rubber Company, Akron, Ohio. The trademark clearly indicates its American origin.

Bringing their tires into the China market, Japanese dealers are able to sell their product at from 10 to 15 per cent less than other makes. Despite this advantage, Chinese buyers—by far the majority—preferred other tires. It was then that the Japanese started using "special" methods to see that their tires are sold here.

The first method was to leave off the name of the country of origin on their tires, a method

often used by Japanese for other products. This was also done by the Dunlop and Goodrich factories in Japan. This aided their sales, for dealers can always profess ignorance as to the country of origin. But not enough. To this was added diplomatic and military pressure.

Recently the Chinese military authorities at Nanchang placed a large order with an American firm for truck tires. The Japanese heard of the order and officials flew up to Nanchang. For no stated reason, the order with the American factory was cancelled, and Japanese tires were purchased instead. It is believed that this method was used in other tire orders placed with Japanese firms.

Chinese approached in connection with this deal allegedly stated that they were powerless to act because of Japanese pressure. They preferred to buy foreign tires, but under the circumstances, they could not choose. In the general market, dealers state that the same is true: Chinese will buy foreign tires anytime before Japanese tires regardless of price. But when they are deceived as to the country of origin, how are they to know?

At the same time, while there is no documentary evidence, there is every reason to believe that Japanese tires are smuggled into China. The total import duties on tires imported from abroad at Shanghai amount to approximately 28 per cent of the selling price. Naturally if these duties are not paid, Japanese tires can sell far more cheaply than foreign tires. It is believed that military tires are smuggled in on Japanese gunboats, though there is no proof, but it is definitely known that Japanese tires are smuggled into North China from "Manchukuo" in large qualities, some of them actually reaching the Shanghai market.

This Japanese "Bridgestone" tire is a close imitation of the American-made Goodyear tire shown in the other illustration. The type style in the name and technical markings are all in English, there being nothing about the tire to indicate its Japanese origin.

With all these methods, however, Japanese tire manufacturers are said to be losing money in the China market. They aim to drive foreign manufacturers out, and then to command the market at their own prices.

Inroads made by Japanese tires can be seen in the following Customs import statistics for 1934 and 1935 for leading countries, values in gold units:

	Value Of Imports	
	1934	1935
United States	432,071	269,226
Great Britain	320,850	264,887
Canada	362,581	190,792
Japan	314,930	266,042

When it is realized that the total value of tires imported in 1935 decreased to $1,659,549 as compared with a total value of $2,910,002 in 1934, the significance of the above figures becomes at once apparent. Imports from Japan fell off, but not nearly the same percentage as the decline of imports from other countries. Japan in 1935 rose from fourth to second among the leading countries supplying China with tires, while at the same time, the differential between imports from Japan and other countries has become steadily less to the point where Japan now supplies China with almost as many tires as the United States or Britain. In 1936, it is likely that Japan will rank as the leading exporter of tires to China.

What is true of Japanese methods of selling tires in China is no less true of other Japanese products, and will become true of many more. Foreign firms represented in China acknowledge competition and work to meet it as best they can. But when almost every known method of illegal trading is used, they cannot hope to stand a chance against Japanese products.

Japan had closed the open door in Manchuria and North China. That she intends to do the same for all of China cannot be disputed. The situation in the tire market in China is but one

example, there are many others. The time will come, however, when the Island Empire will be forced to compete in world trade on equal terms. Otherwise she will invite disaster.

Motor-tire manufacturers always mark the "tread" or surface of their makes in distinctive fashion, these markings being advertised as special features. An examination of the above Japanese-made "Bridgestone" tread indicates its similarity to the American-made "Goodyear."

CONSULAR BODY ORDERS NEW ELECTION FOR MEMBERS OF SHANGHAI MUNICIPAL COUNCIL

(*Continued from page 151*)

there is no telling what might happen, as it is a foregone conclusion that it would be impossible to work up anything like the enthusiasm that was engendered at the last election, as the great majority of voters of all nationalities are really out of sympathy with the extravagance and inefficiency of the present Municipal organization.

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Curiously enough, a somewhat similar upset occurred in the Chinese elections as occurred in the foreign elections. It transpires that more than 1000 votes were received after the time limit had expired at 9 o'clock on the morning of March 28. Whether these votes should be considered valid is being decided by the City Government of Greater Shanghai, City Kuomintang and the Shanghai Office of the Foreign Ministry. The Tangpu declared the late votes invalid. Excluding the votes which are declared invalid, the 27 of 81 representatives elected include Messrs. Yu Ya-ching, Wong Shao-lai, Wong Yen-soong, Lin Kong-hou, L. T. Yuan, Yu Tso-ding and C. C. Hsu. The native guilds and merchants guilds are holding their election late this week or early the next, to elect 54 other representatives to the Chinese Ratepayers' Association. The 81 representatives will then elect the five Chinese members of the Council.

Unexpected Complications from Japanese Revolution

(*By R. H. L. in Chicago Tribune, March* 29)

The World has grown so small that no great epochal event can take place anywhere without affecting and disturbing all the countries on the globe. Look at the terrible, the calamitous effect the Japanese revolution is going to have here in the U.S.A.; silk stockings will not only cost more, but maybe if the Japs keep fighting among themselves and stop weaving silk our girls can't get silk stockings at all. Then not a stenographer or lady secrteary will appear in the office, not a debutante be seen on the street, not a waitress appear in the restaurant with our ham and eggs, If the girls can't get their silk socks they'll just go into hiding, that's all. What! appear before people without silk stockings on? Never! never! Death first!

If the Japs going to employ all their time in fighting each other or picking out some other country to fight as soon as they get things settled among themselves people in America are going to be deprived of the opportunity of buying priceless, two thousand year old Japanese Satsuma, cloissonnes, porcelains, ivory carvings, screens, bronzes, swords and armor. For naturally if the Japs are busy fighting they will have no time to manufacture these things any more. How can anybody sit down and make a two thousand year old bronze vase if he has only an hour off between battles? Why, they couldn't turn out antiques in such a short time even in France and Italy and their mills are geared up to turn out age old masterpieces mighty fast.

⁂

Provocative

(*Shanghai Evening Post, March* 30)

While the Consular Body is about the beneficial business of setting things right in Shanghai we wish they would continue their labors to the end that local defense units would restrict their efforts to defense.

Such enterprises as last Saturday morning's Japanese "occupation" of Hongkew and Yangtszepoo cannot under present conditions be regarded as defensive. Our Chinese friends certainly are to be pardoned if they regard them, in a double sense, as highly offensive.

More than 2000 marines of the Special Japanese Naval Landing Party and units from the cruiser *Idzumo* charged up and down the streets from 3 a.m. to 6.15 o'clock; trucks roared about, tanks rattled, field phones were in operation at strategic points, patrols took over the whole area, machine-gun units set up their weapons at intersections behind sandbags, and blank ammunition was fired.

This sort of thing happens not to be indulged in by other defense units but if it ere we should be precisely as strongly against it as we are when perpetrated by the Japanese. If the Consular Body has power to regulate operations of the defense units, it should be exercised. If it lacks power, at least it can register a protest. Under present conditions we are all standing sponsor for provocative actions which few if any can approve.

American Saw Magnate Has Unpleasant Experience on German Round-the-World Steamer

A sensation was created in Manila on Mar. 21 on the arrival of the Hamburg-Amerika round-the-world liner *Reliance*, on which A. T. Simonds, president of the Simonds Saw Steel Works, of Massachusetts, and his wife, were passengers. Immediately on arrival they applied to the police for protection. During the vessel's stay at Singapore Mr. Simonds, it appears, made a statement to the *Malaya Tribune* in which he criticized Germany's action in remilitarizing the Rhineland. According to Mr. Simonds, certain of the Germans aboard, who formed the majority of the passengers, took offence at this statement and threatened him. As a consequence, Mr. Simonds added, he was compelled to lock himself and his wife in their cabin, where, for safety's sake, they remained until the vessel docked. A young German aboard, who had befriended them, was alleged by Mr. Simonds to have been badly beaten.

Mr. Simonds decided not to travel any further in the *Reliance* and asked Frank Murphy, United States High Commissioner, to lodge a protest with the German authorities in connection with the affair. In a statement to the press defending the action of the German passengers, the Captain of the *Reliance* said Mr. Simonds' statement to the *Malaya Tribune* was unwarranted and uncalled for. The report that Mr. Simonds and his wife had been insulted and spat on, he added, was too ridiculous to require refutation.

Trial of Wang Murder Suspects Opens at Nanking; Sino-Japanese Negotiations Resumed in Tientsin

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Chen Ming-chu and Li Chi-sen Implicated in Alleged Plot to Assassinate Government Leaders.**
2. **Would-Be Assassins Retract Confessions at Second Hearing of Case at Nanking.**
3. **North China Issue Inseparable From General Sino-Japanese Problems, Says Arita.**
4. **Sino-Japanese Negotiations Resumed at Tientsin Following Prolonged Suspension.**
5. **Shansi Reds Are Beating Retreat Towards Shensi After Suffering Repeated Reverses.**
6. **Japanese Would Act if Hopei and Chahar Threatened by Reds, Says Major Imai.**
7. **Communists in Yunnan and Kweichow Resume Activities After Long Lull.**

One of the most widely publicized political trials since the famous Noulens and Chen Tu-hsiu cases opened at the Metropolitan Court in Nanking at 1 p.m. of Mar. 30, when six accused accomplices in the attempted murder of Wang Ching-wei, Chairman of the Central Political Council and formerly President of the Executive Yuan, last November were first brought before Judge Lu Wen-lan for examination. Indited by Prosecuting Attorney Lo Jen-chi of the Fifth Branch Court of the Kiangsu High Court, the accused were Chang Yu-hwa, member of the defunct *Chen Kwang News Agency*; Ho Po-kwang, reporter of the same Agency, both of whom are alleged to be the ringleaders of the assassination plot; Liu Shu-jung, another reporter of the same Agency; Li Hua-cheng, of Shanghai; Hsiang Chung-lin, of Linhaihsien, Chekiang, and Lu Ching-chi, of Chinkiang.

All the six accused are arraigned on charges of having violated the Third Section of Article One of the Emergency Law for the Punishment of Crimes Endangering the Safety of the Republic, and the First and Second Sections of Article 271 of the Criminal Code. One interesting piece of evidence on display at the court room was the Browning pistol used by Sun Feng-min, the assassin, who fired at Mr. Wang at the Central Party Headquarters on last November 1. Sun subsequently died of injuries at the Central Hospital. Contradictions in their confessions and denials of many admissions they had made to the Police Garrison Headquarters, and the Prosecuting attorney's speech featured the first hearing. The case is now in charge of the Fifth Branch Kiangsu High Court.

After preliminary questions put to each of the six defendants, Judge Lu only had time to question three of them, Chang, Ho and Liu. Opening the hearing, Chang Yu-hwa was the first defendant to be arraigned before Judge Lu. Thirty years of age, Chang looked sick and pale. The second defendant questioned by Judge Lu was Ho Po-kwang. He denied that he was a communist. Throughout the hearing he was composed and calm. The third defendant, Liu Shu-jung, 29 years of age, also denied he was a communist. Instead he told the court that he worked at the Provincial Tangpu at Chinkiang in 1928. The fourth defendant, Li Hua-ching, claimed he is a member of the early Tung Meng Hui and a close associate of the late Party Leader, Dr. Sun, in his early days. The fifth defendant, Hsiang Chung-lin, is alleged to have solicited for subsidies for the *Chen Kwang News Agency*, while the sixth defendant, Lu Ching-chi, is held on charges of having harbored the pistol employed by the assassin, Sun, in an ttempt on the life of Wang Ching-wei.

According to the prosecution, Chang Yu-hwa and Ho Po-kwang are the ringleaders of the daring attempt. They were in turn instigated by Hwa Keh-chin, Director of the News Agency, who is now at large. Hwa got his financial support from Chen Min-chu and Li Chi-sen, leaders of the abortive Fukien rebellion. The motive behind the plot, according to the prosecution, is to upset the law and order in Nanking in order to give Chen and Li another chance to climb the political ladder. It was revealed that Gen. Chiang Kai-shek, Chairman of the Military Affairs Commission, was the original target. Two attempts were made on the life of the Generalissimo, but owing to unforeseen difficulties, both attempts failed. Attention was later turned on Wang Ching-wei, as their second objective. Summing up, the prosecution states that the ringleader of the plot is Wang Ya-chiao; the assassin, Sun Feng-ming; while Chang Yu-hwa and Ho Po-tung fully participated in the scheme. The other defendants, Liu, Li, Hsiang and Lu, are involved in one way or other. The prosecution also alleged that both Chang and Ho are one time communists and charges that they have violated Article Six of the Emergency Punishment Law were also preferred against them.

Upon the conclusion of the prosecution's statement, the trial of Chang Yu-hwa then followed. Under the grilling of Judge Lu the defendant admitted that the money to run the new agency came from Li and Chen through Hwa Keh-chin. He further declared that the agency was at first run on a commercial basis but because of the dissatisfaction over Gen. Chiang and Mr. Wang Ching-wei the agency was converted into a hideout for wouldbe assassins. Chang flatly denied that he is involved in the scheme, although early confessions signed by him contradict his statement. Asked by the Judge why they wanted to murder Gen. Chiang and Wang, he said that it was because they are dissatisfied with both of them. In his testimony Chang shifted the whole blame to Sun Feng-min, the dead assassin. While admitting that they failed in the two attempts on the lives of Gen. Chiang and Mr. Wang, Chang denied that two other alleged motives of the assassination were to give moral support to the "red" army and to carry out Chen and Li's orders. Ho Po-kwang was the second defendant to take the stand. Unlike Chang, who evaded his questions, Ho's answers were more direct although he too contradicted many of his signed confessions made earlier. On the whole Ho admitted that he knew of the plot engineered by Hwa Keh-chin and Chang Yu-hwa although he did not actually take part in it. Looking a bit nervous was Liu Shu-jung who was the last one to testify and who was straight-forward in his answers. Liu said Chang Yu-hwa told him of the plot and that Sun Feng-min was chosen as the assassin. He denied any knowledge of the motive behind the scheme. He asserted that he merely followed Chang Yu-hwa blindly.

MURDER SUSPECTS RETRACT CONFESSIONS AT SECOND HEARING

Sweeping denials of any part in, or knowledge of, the plot and disavowals in numerous points of the statements they had made in the Nanking Garrison Headquarters by the accused featured the second day of the trial of the six alleged accomplices in the murder attempt on Wang Ching-wei. The second hearing of the case opened at 1 p.m. Mar. 31. After the examination of three principal accused—Chang Yu-hwa, Ho Po-kwang and Liu Shu-jung, the second hearing was devoted to the questioning of the other three accused, namely, Li Hua-cheng, 53, self-styled old revolutionary of the Tungmenghui days; Hsiang Chung-lin, 53, once a kidnapping suspect; and Lu Ching-chi, an eloquent youth once trained for legal calling, all of them went

through a vigorous grilling and cross-examination by the presiding judge, Lu Wen-lan. Li Hua-cheng completely disavowed any knowledge of the *Cheng Kwang News Agency* being formed to smoke-screen an assassination plot against Gen. Chiang Kai-shek and Wang Ching-wei. He, however, admitted that he knew every one of the present accused before 1935. Li admitted that he was present at the "conference" held at the *Cheng Kwang News Agency* on the evening of last October 28 when Chang Yu-hwa, Ho Po-kwang and Sun Feng-min allegedly decided to make a last attempt on the life of Gen. Chiang Kai-shek. He said it was not a conference, but an after-dinner chatter which he had at the offices of the News Agency with the other accomplices who are now under detention. Questioned about permitting his home in Nanking being used as the postal address for the alleged assassins and plotters, Li again denied its truth.

Hsiang Chung-lin, another accused, was the next to take the stand. According to the prosecution, Hsiang played an important part in obtaining for Sun Feng-min, the assassin an admittance card into the Central Party Headquarters where the sixth plenary session was held. Questioned about the admittance card, Hsiang said he obtained it without any knowledge of its being intended as a means for gaining the assassin admittance into the Party Headquarters compound. It was only after the crime, he said, that the significance dawned on him. Hsiang admitted that he had stayed in the Cheng *Kwang News Agency* for about two months, and was given money to spend. Hsiang admitted that he went to Fukien about the time Chen Min-chu and Li Chi-sen's abortive revolt was launched in that province. Both, however, denied going there to join the rebellion. The last suspect arraigned was Lu Ching-chi, youthful attorney from Chinkiang, who is accused of receiving and concealing the Browning pistol later used by Sun Feng-min. According to Lu's story, it was early in August last year when a mutual friend of his and Chang Yu-hwa, one Kuo Tse-hung, left in his care a leather box which was said to be the property of Chang. The box was laid in Lu's bedroom for about a week. When Kuo returned he in the presence of Lu opened it and revealed a revolver inside. Lu was frightened and asked Kuo what it was for but got no answer from the latter. The next day Kuo came back and took away the box with the weapon inside it. When shown the Browning pistol used by the assassin Sun Feng-min, Lu said he could not identify it as the one left in his care by Kuo. He completely denied having ever known or seen Sun Feng-min. He also denied having ever served as a "contact man" for the assassination gang in sending telegrams to Chang Yu-hua and his accomplices in Shanghai. Despite of all denials he made, Lu was pinned down by Judge Lu on one point, namely, his receiving money from Chang Yu-hwa. He said, however, that the money was just a gift from a friend. Lu wound up his denials by stating that he did not know that the Cheng *Kwang News Agency* was organized as a camouflage for the assassination plot until he heard the prosecution read to him the court's findings.

Previous confessions by two of the six alleged suspects which were made shortly after their arrest last year have thrown further light on the sensational terroristic plot against the Central Government which culminated in the attempt made on the life of Wang Ching-wei. The confessions, made and signed by Chang Yu-hua and Ho Po-kwang, two of the suspects, on November 18 last at the Metropolitan Police Headquarters, reveal that the organization of terrorists had its headquarters in Hongkong. Acting on their confessions, the Chinese Government immediately communicated with the Hongkong Government with the request that a raid be made on the alleged headquarters. Four persons, alleged to be accomplices of the assassination plot, were authoritatively learned to have been arrested by Hongkong police. The four arrested are Yu Li-kwei, Hua Ta-hai, Chow Shih-ping and Chang Chih-han, who are now still being detained in Hongkong. Yu Li-kwei is alleged to be one of the three active organizers of the assassination plot after receiving orders from Chen Min-chu and Li Chi-sen. The other two active organizers are alleged to be Wang Ya-chiao and Hua Ke-tse, the latter alias Hu Yun-ching, Managing Director of the *Chen Kwang News Ageny*. Both Wang Ya-chiao and Hua Ke-tse are still at large. The confessions by Chang Yu-hua and Ho Po-kwang further disclose that the terrorists had also made attempts to assassinate T. V. Soong, member of the Standing Committee of the National Economic Council, and certain members of the Lytton Commission to the Far East.

Extradition proceedings against the four Chinese arrested in Hongkong in connection with the attempt on the life of Wang Ching-wei, on November last year, have been adjourned indefinitely. according to a *Reuter* report from Hongkong Mar. 31. The four accused, whose extradition is sought by the Chinese Government on evidence supplied by the alleged confessions of two of the six men already arraigned before the Fifth Branch Kiangsu High Court in Nanking, appeared before Mr. Schofield, the Senior Magistrate, in Hongkong Mar .30.

The men are :—

Yu Lap-fui, alias Li Chi-on alias Li Shek-yu ; Chau Sai-ping ; Wu Tai-ho ; Cheung Chi-on.

NORTH CHINA ISSUE INSEPARABLE FROM GENERAL SINO-JAPANESE PROBLEMS, SAYS ARITA

The North China situation is but a part of the general outstanding Sino-Japanese problems and should be studied together with the other issues as a whole, declared H. Arita, Japanese Ambassador to China, in a press interview at Tientsin Mar. 26. Questioned whether he saw any possibility of improvement in Sino-Japanese relations, Mr. Arita replied that it would all depend on the amount of efforts extended by both sides. Mr. Arita left Tientsin at midnight Mar. 26 for Changchun enroute to Tokyo via Korea.

Japanese military and diplomatic officials stationed in "Manchukuo" exchanged views on Mar. 28 at Changchun with Mr. Arita, Discussed was a variety of subjects ranging from the Kwantung Army's policies regarding North China ; the relations between "Manchukuo" and Soviet Russia and Outer Mongolia ; China's attitude towards a rapprochement with Japan and conditions in the new Empire. "Manchukuo" diplomatic officials also attended the meeting.

Mr. Arita, who is returning to Japan to assume the post of Foreign Minister, collapsed aboard the s.s. *Tokuju Maru* on which he is traveling from Fusan, Korea, to Shimonoseki, at about noon Mar. 31. His condition was, however, reported as "satisfactory". Mr. Arita, had cancelled his original plans to proceed to Tokyo by train that evening. Instead, he would stay at the Sanyo Hotel, Shimonoseki, for one or two days until his condition improves.

Despite persistent reports that M. Shigemitsu, Vice-Minister of Foreign Affairs of the Tokyo Government and former Minister to China, will be appointed Ambadssaor to China to succeed Mr. Arita, the Waichiaopu has so far not yet received any official information to that effect, *Central News* reported Mar. 26.

"Serious efforts" will be necessary to turn to the better Sino-Japanese relations, Tatsuo Kawai, Japanese Consul-General at Canton believes. Arriving at Nagasaki from Shanghai, where he attended the two-day consular conference, Mr. Kawai said : "It is regrettable that some high Nanking officials still appear unable to grasp Japan's real intentions. Chinese authorities are insistently asking

for a unification of Japanese diplomatic activities, but that is hard to entertain when Chinese leaders still appear to cling to their two-faced attitude."

Completing nearly 12 months of service as Military Attache to the Japanese Embassy in China, Maj.-Gen. Rensuke Isogai left Shanghai Mar. 30 on the s.s. *Hakusan Maru* for Tokyo, where he will be director of the Military Affairs Bureau of the War Ministry. Maj.-Gen. Seiichi Kita, his successor, will arrive in Shanghai in the middle of April, after conferring with Maj.-Gen. Isogai in Tokyo. Maj.-Gen. Kita visited China late last year in his former capacity as chief of the China Section of the Army General Staff.

Major Hiroyuki Yoshino, former Japanese Military resident officer at Nanning, Kwangsi, left Hongkong on April 1 aboard the m.v. *Chichibu Maru* for Japan.

Conditions in North China have been stabilized. This belief was expressed Mar. 31 by Lieut.-Gen. Kenji Doihara, formerly Director of the Kwantung Army's Special Service Division, who arrived at Moji Mar. 31 from Dairen en route to Tokyo, where he will be attached to the First Division. The only unsettled issue, Lieut.-Gen. Doihara said, is the projected amalgamation of the Hopei-Chahar Political Council and the East Hopei Anti-Communist Autonomous Government. "These two administrations," he said, "are bound in principle to be merged, but still remain apart. I believe the matter will be solved satisfactorily."

NEGOTIATIONS ON NORTH CHINA ISSUES RESUMED AT TIENTSIN

Negotiations between Chinese and Japanese authorities in North China over outstanding Hopei and Chahar issues which were in a state of suspension for some time have been informally resumed, *Central News* reported from Tientsin Mar. 31. Resumption of the negotiations was in the form of an informal exchange of views at a banquet given Mar. 30 by Gen. Sung Cheh-yuan, chairman of the Hopei-Chahar Political Council, at his official residence in Tientsin with Major-Gen. Tada, Commandant of the Japanese Garrison in North China, and Major Nagami, Chief of Staff of the Japanese Garrison in Tientsin.

Terminating a week's visit to Paoting, provincia capital of Hopei, General Sung Che-yuan, returned to Peiping by train Mar. 27. In a statement issued to the press, General Sung stated that while in Paoting he gave instructions to the third batch of district magistrates for Hopei and Charhar gathered there and questioned them regarding local conditions.

Cheng Keh, former Mayor of Tientsin and one of North China's leading political figures, died at Tientsin on Mar. 28 at the age of 58. Mr. Cheng was a Japanese returned student and had had a long political career.

TIENTSIN CUSTOMS HOLD TWO CARS SMUGGLED SUGAR

The first test case of the Customs authorities against smuggling activities has been reported at the Tientsin-Pukow Railway. Two carloads of smuggled sugar of foreign origin were discovered on Mar. 29 ready for transportation to the interior. Upon finding that the shipments were without Customs import duty receipts, the railway authorities refused to let the shipments go. Shortly afterwards, "certain" persons arrived at the station to question the authority of the railway in detaining the goods. Up to the present, the case is still under negotiation.

The blue shirts have recently resumed their activities in North China, which constitute the violation by the Chinese authorities of the Ho-Umetsu Agreement, reported *Shanghai Mainichi*, March 28. At the end of last year, the headquarters of the Blue Shirts were reorganized into the Headquarters of the Garrison Commander of Peiping with branches in Tientsin, Tangshan, Luantung and Shanhaikwan. The Special Headquarters of the Blue Shirts was inaugurated on March 10 by the Peiping-Suiyuan Railway. The Japanese authorities will lodge a protest with the Chinese authorities in connection with the violation of the Agreement.

Two Chinese girl students have been arrested in Harbin for attacking a Japanese employee of the North Manchuria Railway by the name of Avano with daggers. Their names have not been announced, but they are described as sisters aged 22 and 20.

At its weekly meeting Mar. 31, the Executive Yuan voted $40,000 for relief of famine conditions in Inner Mongolia, which was recently caused by widespread snow and wind storm.

More than 80 per cent of cattle in Suiyuan area controlled by Prince Teh have perished of hunger and cold in recent weeks, according to a *Domei* report, Mar. 31. The calamity has forced Prince Teh to leave Pailingmiao, his former base, for Tehwa Hsien, the report added. At least $1,000,000 is needed for the relief of the area.

According to the *Hawlien News Agency*, the Foochow authorities are in receipt of a secret report about a plot of Japanese 'ronins'. The report declares that an unsuccessful Japanese merchant has made arrangements with certain bandits to kidnap him in a certain place in order to demand large sums of indemnity from the Chinese authorities.

GENERAL HAN FU-CHU REPOPTED ATTACKED AND WOUNDED

Gen. Han Fu-chu, Chairman of the Shantung Provincial Government, was shot and wounded by an unidentified would-be assassin in Tsinan at midnight Mar. 31, according to a report by the *Kokutsu News Agency*. The Central News has officially denied the report, which is found to be entirely untrue.

ROUTED SHANSI REDS ARE RETREATING INTO SHENSI

After sufferring repeated reverses at the hands of government troops, Communist bandits at Shilou on the western border of Shansi beat a hasty retreat towards Shensi by crossing the Yellow River, *Central News* reported Mar. 31. During their retreat across the river, the fleeing reds were badly beaten by government forces. A large number of the outlaws were either killed or drowned. Meanwhile reports ffom Huhsiten, north of Hungtung, indicate that the bandit remnants who recently evacuated that point are also fleeing toward the Yellow River in an attempt to cross the river on other way to Shensi.

On Mar. 28 government troops recaptured Mengchiata in the vicinity of Shihlou district, 25 miles north of Shihsien. Mengchiata which was the seat of the provincial Chinese Soviet Government for Shansi was retaken by Shansi troops after several hours of fierce fighting, according to *Central News*.

Another two strategic points in west Shansi, Chiaokou and Shikou, were recaptured by Shansi provincial forces from the Communists on March 27, according to *Central News*. Mao Tze-tung with 500 of his remnant followers is reported to have fled westward. During a recent encounter Mao and his wife and Yang Shangkuan, director of the bogus red government, only narrowly escaped death.

A combined force of Shansi, Suiyuan and Central Government troops launched an attack on the Reds entrenched at Houma and Yikow, in South Shansi, on Mar. 28, and, after a stiff fight, routed them, according to a *Reuter* report from Taiyuan. The victorious troops, the report added, were advancing on Pingyangfu and Hungtung with all speed. Aerial observers report seeing considerable bodies of Reds besieging Pingyang. It is therefore believed that the British and American missionaries there are safe and will remain so if the gar-

rison can hold out till the advancing troops engage the besieging Reds.

The garrisons at Hungtung and Pingyangfu, in southern Shensi, where a number of British and American missionaries are stationed, have established contact with Government aeroplanes by signals, and are expected to hold out easily until reinforcements arrive from Houma, according to a *Reuter* report Mar. 31. The Shansi troops are getting the upper hand over the Communists. All ferry points on the Shansi bank of the Yellow River, are now in the hands of the provincial troops, but Mao Tse-tung, the Red leader, and a number of his adherenst, are reported to have escaped back into Shensi.

Communist forces in Shansi, which at one time totalled more than 20,000, have retreated into northern Shensi, leaving less than half of their original number in the former province, according to a *Domei* report from Peiping Mar. 31. The troops left behind are all veterans of the Kiangsi campaign and the ensuing long march into Szechuan and then north. They are said to be experts in geurilla fighting and occasional forays into hitherto uninvaded territory are expected.

Reports that Hungtung and Linfen, in southern Shansi, had been captured by Communists, were denied by authoritative quarters in Nanking Mar. 26. A spokesman declared that four divisions of Central Government troops—the 2nd, 4th, 6th and 25th divisions—had arrived at Linshih, north of Hungtung, to assist in suppressing the Reds. He added that, with such a large concentration of troops in Shansi, the Government could adequately cope with the situation.

"RED" FINANCE COMMISSIONER ARRESTED IN SHANSI

Wang Ting-fan, finance commissioner of the "Red" government in western Shansi, was arrested by Shansi troops during the recupture of Suitoucheng on Mar. 23. Mao Tse-tung, notorious communist chieftain, accompanied by his wife and Yang Shang-kuan, director of the political department of the soviet government, fled westward one hour prior to the fall of Suitoucheng.

JAPANESE WOULD ACT IF HOPEI AND CHAHAR THREATEND

If peace and order in Hopei and Chahar were threatened by the Reds, the Japanese Army would consider action, which would be prompt and effective, said the Japanese Military Attache, Major Imai, in an interview with *Reuter* at Peiping Mar. 26. Major Imai said that there were now seven Government divisions in Shansi, namely, the 2nd, 4th, 6th, 25th, 95th, 141st and 142nd.

The Communists and the Government troops have reached a certain agreement, said *Shanghai Nichi-Nichi*, Mar. 25. It is reported that the agreement, the paper alleged, provides for the assisting of the Communists to move to Suiyuan by the Government forces. The Japanese authorities are reported to have decided to take definite actions in Suiyuan and Shihchiachuang (Hopei) for the strengthening of the defence against Communists.

Martial law has been declared in the Tatung railway station as result of the murder of several police on Mar. 27—reported *Sin Wan Pao* Mar. 28.

More than 8,000 Communists under Hsu Hai-tung crossed the Tungpu line, and advance to the districts of Hungtung, Sinchuan, Chu-ou and Fushan in the southern part of Shansi where the production of grains is abundant. It seems that the question of grain for the Communists has been solved.

According to *Shanghai Mainichi*, the Communists are expected to be divided into two parts following their abandonment of the areas of Suitouchen Shihlou and Chungyang. Part of them are moving northward, preparing to enter the provinces of Charhar and Suiyuan. Another part of the Communists are attempting to capture the districts of Linfeng, Chaochen, Chuyi and Sinchuan where they will create their Soviets. Henceforth the Communists will begin the second stage of their work.

Taking the advantage of the departure of the majority of the Government troops under General Wang Chin-kuo from Suiyuan, more than 2,000 plain clothes of the Communists under Mao Tse-tung entered Suiyuan in the early morning of March 14, according to a report in *Shanghai Nippo*, Mar. 25.

Hereafter Communists, bandits and drug traffickers alike will be given the death penalty by the Hopei and Charhar authorities. A circular order to the above effect was despatched Mar. 26 to the District Governments in the two provinces Mar. 25 by the Pacification Headquarters for Hopei and Charhar, of which General Sung Che-yuan is Commissioner. Another order has been issued by the Hopei-Charhar Political Affairs Committee to the District Governments instructing them to take adequate precautions against a "Red" incursion.

REDS IN YUNNAN RE-ENTER KWEICHOW

After a lull of two months, the Reds have resumed their activities in the province of Kweichow. *Reuter* reported that the Communists who fought their way through Kweichow to Yunnan from Hunan in January, have now re-entered Kweichow and have captured Puan and Panhsien, about 120 miles south-west of Kweiyang, the provincial capital.

R. Bosshardt, the captive Anglo-Swiss missionary, who has been in the hands of the Communists under Hsiao Keh for more than a year, was seen alive again on March 20 a few miles west of Weining, in western Kweichow, according to *Reuter*. Mr. Bosshardt, who belongs to the China Inland Mission, was capture on Oct. 2, 1934, at Kiuchow, 80 miles east of Kweiyang.

A reward of $100,000 has been given by General Chiang Kai-shek to Yunnan troops, who recently won a decisive victory over the Communist bandits at Hutoushan recently.

According to a message received from Maj.-Gen. Li Mi-fan, Commander of the 23rd Division, the remnant bandits under Hsiao Keh and Ho Lung who have been driven into Hsuanwei in eastern Yunnan under the pressure of government forces, are now attempting to invade Kweichow again, reported *Central News* Mar. 25.

Iliang, a "Red" stronghold in north Yunnan, was recaptured by Yunnan troops on March 25, according to *Central News*. The defeated outlaws under Hsiao Keh and Ho Lung are reported to be retreating toward Chenhsiung.

GENERAL AND MADAME CHIANG KAI-SHEK RETURN TO NANKING

General Chiang Kai-shek, President of the Executive Yuan, and Madame Chiang, arrived at Nanking by train from Shanghai on Mar. 28. General and Madame Chiang recently visited Fenghua.

Wang Ching-wei, former President of the Executive Yuan and now Chairman of the Central Political Council, who is now on a tour in Europe to recuperate his health, arrived at Prague March 23, according to word received by the Ministry of Foreign Affairs.

Escorted by Yang Te-chao, personal representative at the Capital of General Chen Chi-tang, Commander of the Kwangtung Provincial Forces, Chen Wei-chou, Salt commissioner for the Liang-Kwang (Kwangtung-Kwangsi) Area and a cousin of General Chen, upon his arrival in Nanking Mar. 26 paid a round of courtesy calls on the Government leaders including Sun Fo, President of the Legislative Yuan; General Ho Ying-chin, Minister of War; Dr. H. H. Kung, Minister of Finance; and Ma Chao-chun.

Liu Lu-yin, Director of the Central Publicity Department of the Kuomintang and a close associate of Hu Han-min, arrived at Shanghai from Canton Mar. 26. Mr. Liu called on Dr. Wang Chung-hui the following day.

Japanese Army and Navy Draft Appropriations Approved—Yen 710,000,000 Bond Issue

DRAFT appropriations totaling Yen 570,000,000 and Yen 551,000,000, respectively, for the Army and the Navy stood approved by the Ministry of Finance Mar. 29 for inclusion in the 1936-37 budget, which will be presented to an extraordinary session of the Diet convened on May 1. Both sums are virtually the same as those that were scheduled to be submitted to parliamentary discussion in January but were never tabled because of the dissolution of the Lower House. Together, they comprise more than half of the total national expenditures, which are expected to reach Yen 2,300,000,000. At a special meeting called by Dr. Eiichi Baba, Minister of Finance, Mar. 28 Exchequer officials approved the draft demands of six out of twelve ministries. Those besides the Army and Navy, were:

Imperial Family expenditures	Yen 4,500,000
Ministry of Finance	Yen 495,000,000
Foreign Office	Yen 31,000,000
Ministry of Commerce and Industry	Yen 18,000,000

Revenue, officials disclosed, will total Yen 1,600,000,000 despite decreases caused by the failure of three bills to be passed by the last session of the Diet. The deficit bond-issue, these officials estimated, will reach approximately Yen 710,000,000, about Yen 30,000,000 more than estimated under the preceding financial regime headed by the late Mr. Takahashi, one of the victims of the military uprising of Feb. 26.

The increase, it was explained, is caused by the necessity to spend about Yen 300,000,000 more for the relief of agricultural areas that suffered from natural calamities.

Prince Fushimi to Inspect Combined Fleet

Imperial sanction for the appointment of Admiral Prince Fushimi, Chief of the Naval General Staff, as a special inspector of the Combined Fleet was granted Mar. 26 following Prince Fushimi's selection by the naval members of the Supreme War Council. The Admiral is scheduled to spend ten days, beginning with May 10, inspecting the Navy in the vicinity of the Bungo Straits, between Shikoku and Kyushu.

Terauchi Gives Pledge on Army Purge

Assurances that the Army intended to enforce strict discipline in its ranks, in connection with the military mutiny of Feb. 26, were given Mar. 26 by Gen. Count Hsiaichi Terauchi, War Minister, to the nation's prefectural governors meeting in Tokyo to receive instructions from Premier Hirota and Mr. Ushio, Home Minister.

War Minister, General Terauchi, Terms Tokyo Mutiny a Blot on Country's History

The military mutiny in Tokyo last month was described as a blot on the country by General Terauchi, the War Minister, in an address at a conference held by the governors of 47 prefectures in Tokyo, March 26. The revolt, he added, was caused by a limited number of Army officers in league with "violent outsiders." General Terauchi revealed that a large number of civilians had been involved in the uprising, some of whom had engaged in subversive movements even after the outbreak. He also divulged that "mysterious documents which had a very close connection with the uprising and subsequent social unrest" were being circulated, and stated that their contents were becoming more and more injurious to the country. The War Minister urged the governors to take drastic measures for the suppression of these documents with a view to protecting the interests of the nation and the Army. He concluded by hoping that the incident would not swerve the country from its conception of universal conscription and not discourage the nation's support for the Army.

Dr. Eiichi Baba, who also addressed the conference, dwelt on the need for effecting many important national policies simultaneously and the impossibility of expecting in the near future to decrease national expenditure. On the contrary, he forecast an increase in national expenditure, declaring, "I intend firstly to foresee all future national expenditure and then work out a revenue program to cope therewith thereby placing national finances on a solid basis." concluding, he urged the necessity of readjusting and improving the taxation system in order to accomplish his objective.

Japanese Government to Slash Prices of War Supplies

Compulsory slashes in the prices on raw materials used in the manufacture of munitions, to keep the national defense expenditures in the 1936-37 fiscal year to the lowest possible figure, have been tentatively decided by the Ministries involved. The Departments actively concerned in the price reduction campaign include the War, Navy, Finance and the Commerce and Industry Ministries. The first in the list of commodities whose prices are to be pared down is coal, whose recent rise has stimulated parallel gains in other materials.

Death Claims Japanese Minister of Commerce Kawasaki —Dr. Ogawa Succeeds

The death occurred Mar. 27 of Takukichi Kawasaki, Minister of Commerce and Industry and one of the only four party men in the Hiroto Cabinet. Dr. Gotara Ogawa was appointed to succeed him.

Mr. Kawasaki was 66 years of age and succumbed to a complication of diseases arising from a cold which he contracted on March 12, three days after the Government had been organized. Mr. Kawasaki was at first slated to become Minister of the Interior, but was shifted to the Commerce and Industry post when the Army demanded that a non-party man be appointed to the former post. He was later moved to the Ministry of Railways, finally settling down at the head of the Commerce and Industry department.

Reforms Demanded in Ministry of Commerce and Industry

Demand for thorough reforms in the administration of the Ministry of Commerce and Industry, on the assumption of the portfolio by Dr. Gotaro Ogawa, in succession to Mr. Kawasaki, was voiced by high officials of the Department Mar. 30. The officials were especially vocal in demanding a revision of the Important Industries Control Law, to place the emphasis on consumers' rather than the industrialist's interests, and an increase in the capital of the Commerce and Industry Treasury, a bank, operated by the Department, from Yen 5,000,000 to Yen 10,000,000. Some of the officials also insisted on the need for drastic changes in the Ministry's personnel.

Japanese Consuls in U.S.A. to Hold Confab Next June

Readjustment of Japano-American trade relations and the protection of Nipponese residents in the United States will form the main items on the agenda of a four-day consular conference to be convoked in Washington next June by Mr. Saito, Ambassador to the United States. Means of introducing Japanese culture into the United States are among the subjects to be discussed.

British Ambassador and Mr. Shigemitsu Discuss Chinese Problems

Views on Chinese problems were exchanged Mar. 26. at a meeting between Mamoru Shigemitsu, Vice-Minister for Foreign Affairs, and Sir Robert Clive, British Ambassador to Tokyo.

Despondency Leads Japanese Novelist to Suicide

Despondency over his poor health, aggravated by his recent separation from his wife, was blamed for the suicide on the night of Mar. 24 of Shinichi Makino, a well-known novelist. He was found hanging from a rafter in a barn adjoining his home in Odawara.

Siamese War Minister to Visit Japan

The Siamese Minister of Defense will visit Japan next summer to make a study of Nippon's military establishments, according to a report received by the Foreign Office in Tokyo from Bangkok Mar. 30.

Radiophone Machinery to Be Installed on "Chichibu"

In the first attempt to establish regular ship-to-shore radiophone communication from a vessel regularly operating on the Pacific, the Japanese Ministry of Communications has begun the installation of necessary machinery on the N.Y.K. liner *Chichibu Maru*.

Four Burned to Death in Yen 5,000,000 Fire in Showa Rayon Plant at Fukushima

Damage to the extent of Yen 5,000,000 was done by a fire which broke out in the morning of Mar. 28 in the Showa Rayon Factory at Fukushima, an important centre for Japan's trade in raw silk and cocoons. The flames claimed the lives of four persons, while 20 others were injured, some seriously. The fire started in the chemical department of the factory, which was one of the most modern ones of its kind in the whole of Japan, and, despite the efforts of the fire fighters, spread with great rapidity.

Japanese Discuss Defaulted Chinese Loans in Tokyo

Representatives of creditors to China met at the Industrial Club in Tokyo Mar. 26 to discuss the readjustment of loans totalling Yen 500,000,000, with the Nanking Government. The decisions of the conferees will guide Katsuji Uchida, Director of the East Asia Investment Company, in his negotiations with the Chinese authorities on his arrival in China sometime this month. *Domei* pointed out that the investors' syndicate was successful last year in effecting an agreement with the Ministry of Finance on the readjustment of its loans to the Chinese Ministry of Communications.

Seven Officers Put on Waiting List Because of Tokyo Mutiny

As the result of a disciplinary measure connected with the mutiny of Feb. 26, the Army Mar. 30 placed five captains and two lieutenants of the First and Third Infantry Regiments of the First

Division and the Seventh Field Artillery Regiment, on the waiting list.

The three regiments contributed the bulk of the mutinous force, which assassinated three statesmen and held the Nagato-cho district in the Capital for nearly three days. The change was the third to be announced by the War Office in the past week, the first two having been made public on Mar. 23 and 28.

The War Office Mar. 28 announced a reshuffle involving 112 colonels and lieutenant-colonels.

Among the officers affected by the transfers are four regiment and battalion commanders of the Third Regiment of the Imperial Guards Division and First and Third Infantry Regiments of the First Division.

Akita Seeks To Form Rightist Bloc in Diet

In an effort to form a powerful rightist bloc in the House of Representatives, Mr. Akita, former leader of the Seiyukai party and a member of the National Policy Council, has lately conferred with a number of leading reactionary parliamentarians.

Yoshida and Kurusu Are Appointed Ambassadors

Shigeru Yoshida, former Ambassador to Rome, was selected Mar. 21 by Mr. Hirota, Premier and Foreign Minister, Ambassador to London, in succession to Tsuneo Matsudaira, who was last month appointed Minister of the Imperial Household. Simultaneously, Saburo Kurusu, Director of the Gaimusho's Commercial Affairs Bureau, was chosen to head the Embassy in Brussels,—the post formerly held by Hachiro Arita, Ambassador to China and Foreign Minister-designate.

Sixteen Japanese Admirals Are Retired

Sixteen officers of admiral rank were retired at the end of March under orders issued by Admiral Nagano, Minister of the Navy. Three admirals, seven vice-admirals and six rear admirals are included in the list. Heading the group are Admiral Seizo Kobayashi, Admiral Eisuke Yamamoto, and Admiral Ryozo Nakamura, all members of the Supreme War Council.

Privy Council Ready to Limit Its Jurisdiction

Willingness to allow the Government to dispose of certain matters without referring them to the Privy Council, providing this does not impair the body's authority in Tokyo, Mar. 30, was expressed by members of the Council. The step has been successively advocated by Cabinets headed by Baron Wakatsuki, the late Admiral Viscount Saito and Admiral Okada, but was blocked by political considerations. The Councillors, however, declared that this transfer of power must be compensated by the submission of certain questions at present out of the body's jurisdiction for its approval.

Japanese Navy Intends to Advance Southwards to Equator and Eastward to Marshall Islands

The Tokyo *Jiji Shimpo*, Mar. 24, stated that, of the three committees of the newly-created Naval System Investigation Council, the one pertaining to re-examination of Japan's naval policy is said to be having the important mission to discuss the Navy's basic State policy. What is to be discussed by this committee is said to be very important and extensive in scope. The traditional policy of the Japanese Navy, as was explained by the then Minister, Admiral Osumi, in the 67th session of the Diet, has been to secure hegemony of the sea and of the air on the Western Pacific. This policy, however, has been found too passive as the naval policy of Japan, which is to be liberated from the bondage of the discriminatory naval ratio beginning 1937 and advances to parity with the Powers, and, therefore, it is considered that the traditional policy does not suit the State policy of expanding Japan. Because of this fact the Navy desires to abandon the traditional policy maintained ever since its founding and replace it with a more positive policy. Under such circumstances the Navy has decided to conduct discussion on this basic policy of the Navy with the committee as the central organ.

The new swing in naval policy is designed to cope with the important domestic and international situation confronting Japan and is based on the traditional spirit of defending the North and advancing southward. Upon realization of the new policy the field of offensive and defensive operations of the Japanese Navy would be greatly extended from the Western Pacific, especially the small sea in the Far East, to the equator on the South and the Marshall Islands to the east.

Governor General of Korea Is Ready to Retire

Gen. Kazushige Ugaki, Governor-General of Korea, who for years has been regarded as the "dark horse" of Nipponese politics, will arrive in Tokyo in the middle of next month to tender his resignation to Premier Koki Hirota. Gen. Ugaki will make his final decision following conferences with Mr. Imaida, Chief Civil administrator of Korea, who is now in Tokyo conferring with the Government authorities.

Funeral Services Held for Late Mr. Takahashi

The funeral services for the late Korekiyo Takahashi, Minister of Finance, assassinated by mutinous troops on Feb. 26, were held Mar. 26. The mourners were headed by Premier Hirota, who attended formal services at the Honganji Temple at Tsukiji. The ashes of the murdered statesman were laid to rest at the Tama Cemetery, next to the grave of the late Fleet Admiral Heihachiro Togo, "Japan's Nelson."

New Officer to Sit at Aizawa's Trial—Trial to Start All Over

Maj.-Gen. Shoichi Naito, Commander of the Second Cavalry Brigade, was officially appointed Mar. 28 to succeed Maj.-Gen. Shozaburo Sato, Commander of the First Division's First Infantry Brigade, as the presiding judge of the court martial trying Lieut.-Col. Saburo Aizawa for the murder of Lieut.-Gen. Tetsuzan Nagata, Director of the Military Affairs Bureau, on Aug. 12 last. Maj.-Gen. Sato was ordered to the waiting list earlier this month, in view of his partial responsibility for the military mutiny of Feb. 26.

Lieut.-Col. Aizawa's trial was suspended on Feb. 26, no hearing having been held since that time. Under the terms of the court martial law, trials suspended for more than 15 days have to be reheard. The new trial is generally expected to open as soon as Maj.-Gen. Naito acquaints himself with the facts of the case.

Japanese Steel Tube Makers Sign Quota Agreement

In an effort to check the current dumping of steel tubes by Czechoslovakian and Polish manufacturers, representatives of the Nippon Steel Tube Manufacturers, representatives of the Nippon Steel Tube Manufacturing Company and other firms concerned signed a compromise agreement with the local officials of the International Steel Tube Syndicate in Tokyo Mar. 27. The agreement provides for the annual imports of 10,000 tons of steel tubing into Japan and Manchukuo or slightly more than one per cent of Japan's annual consumption. The product already imported will be excluded from the quota agreement.

Oil Monopoly Introduced in Japan—Big Foreign Concerns Suffer

The State oil monopoly was inaugurated in Japan Mar. 28, with the formation of the cartel, otherwise known as the Associated Petroleum Company, Ltd. The new concern, directly controlled by the Ministry of Commerce and Industry, will be the joint sales organ for Nippon's six major domestic petroleum firms. The new company will sell only gasoline in the 1936-37 fiscal year, but will thereafter branch out into the sales of other grades of oil.

The Ministry also announced Mar. 28 that Nippon's oil consumption for the next fiscal year has been set at 3,230,000 kiloliters. This amount is divided as following: Gasoline, 1,245,000 kiloliters; lamp oil, 130,000 kiloliters; light oil, 135,000 kiloliters; machine oil, 260,000 kiloliters; heavy oil, 1,460,000 kiloliters.

The figures were worked out on the basis of this year's consumption. The quota of the two major foreign concerns, the Rising Sun Petroleum Company and the Standard-Vacuum Oil Company, will be materially decreased, in view of their continued refusal to abide by the terms of the Oil Industry Control Law, providing for the compulsory storage of 60-month stocks of petroleum, Ministry officials said.

Honolulu Koreans in Petition Point Out Persecution of Christians by Japanese

A monster petition was sent to the Pope at Rome by the United Korean Christian Society of Hawaii on Feb. 28 against the policy pursued by the Japanese Government in Korea of compelling the 550,000 Christians in Korea to worship at the Shinto shrines. Similar petitions were sent to the heads of other Christian organizations throughout the world. The petitions coincided with the incident at the North Presbyterian Mission in Pyengyang where (as was related in *The Review* Mar. 21) the faculty and students of the school conducted by the Mission had to agree to make obeisance at the Shinto shrine—the alternative being that the school would have been closed up by the authorities.

The Honolulu petition, which was sent out over the signature of Kenneth Haan, secretary, made an appeal to the Christians of all faiths among the nations of the West to inquire into this twentieth century type of barbaric persecution of Christians by the Japanese authorities in Korea. It was pointed out that since the beginning of the year 1936, the Japanese authorities had ordered and forced the Christians and the students of the Christian Mission Schools and Seminaries to worship at the Shinto shrines. They are forced to worship Ameterasu Omikami, the sun-goodess, imperial ancestor and the spirit of Japanese war heroes and statesmen, on the pretext of instilling Japanese spirit.

The petition also stated: "The Korean Christians beljeve this latest persecution is aimed at the breaking up of and extermination of Christian influence of the Westerners who are the heads of the leading educational institutions and missions. Primarily it is aimed at the death of Christianity in Korea through spiritual strangulation. If this policy of spiritual strangulation is successful in Korea it will be the beginning of the end of the Spiritual Open Door in the Far East."

China Extends Sympathy to America Over Floods

Acting under instructions from the Waichiaopu, Dr. Saoke Alfred Sze, Chinese Ambassador to the United States, Mar. 26 conveyed to the Washington State Department the sympathy of the Chinese Government and people with the American nation over the recent extensive flood in the Eastern States.

A Dialogue With My Son

BY T. S. YOUNG

MY eldest son, Shao-chien, has just passed his tenth birthday. At his age, a boy, of course, can not be expected to know much about his life, think seriously of his future career, and pay close attention to his studies. He appears to be a smart boy, but his teacher has frequently complained to my wife of his carelessness and obduracy. For instance, in written tests, he has more often than not left one or two questions unanswered; and in writing English alphabets, he has been apt to forget to cross the t's and dot the i's. Nay, in accordance with the words of his teacher, he is "as obdurate as an ox," and "his characters can not be moulded as readily as those of other boys." Thus my boy has been nick-named "ox" both in school and in the family, and he appears to be quite proud of this nickname.

I have no faith in the old saying, "Spare the rod; spoil the child." Nor do I believe that the boys should be totally left to follow their natural inclinations. But I am always of the opinion that a boy should be "watered" and "pruned" as carefully as a young plant. With this in view I have kept watchful eyes on my boy, and have frequently tried to encourage his ambition with the hope that he will bloom into a beautiful flower. One Sunday afternoon, when I had nothing to do and was on the point of taking a nap, while my wife was knitting beside me, my boy came to my side with a half-eaten apple in his hand. Both for the purpose of killing idle time and in order to give some inspiring talks to my boy, I asked him, "Sonny, what would you like to be in future?"

My son: "I would like to be a gardener, father."

I: "What! a gardener!"

My son: "Yes, father, a gardener."

I: "Why would you like to be a gardener?"

My son: "Because, as a gardener, I can plant many apple trees and have apples to eat every day." After finishing his words, he resumed the munching of his apple.

I: "Don't talk nonsense! You are now ten years old, and you should begin to learn things. No good man wishes to be a gardener."

My son: "Then what do you want me to be?"

I: "I want you to be a big official."

My son: "Why?"

I: "Because a big official can make a lot of money. With money, you can have a foreign-style house, a big motor car, and many servants to wait upon you. Besides, a big official is a much-honored person: He is flattered by his friends and admired by many women. Everywhere he goes, dinners and receptions are given in his honor; and everything he speaks is recorded in the newspapers. If you like to eat apples, you can have good apples specially ordered from America, and can eat as many apples as you want every day."

My son: "If it is such a good thing to be an official, why do you not be an official yourself, father?"

I: quite puzzled by this question: "Well, I am too old to be an official."

My son: "Father, you ain't old. I have seen from the pictures that some of our big officials have very long beards. They must be very old men. How is it possible that they have still held official posts?"

American Versus Japanese Education

I: finding it difficult to answer this question: "Leave this matter out. You will know it when you are old. Let's turn to some other subject. Which country do you wish to go to for your higher education?"

My son: "America."

I: "Why do you want to go to America?"

My son: "Because I want to meet in person such funny-looking men as Laurel and Hardy." He made a long face as if to imitate either Laurel or Hardy.

I: "Behave yourself! Cut out the nonsense, when we are talking about serious matters."

My son: "Then mamma has always said you are a returned student from America, and so I want to go to America too."

I: "It was fourteen years ago when I went to America. At that time, it was a fashion that young men should go to America for higher education. But this condition has been very much changed in recent years. At present, fashionable young men do not go to America for their education."

My son: "Father, then which country do you want me to go to?"

I: "Japan."

My son, quite surprised: "Why?"

I: "Because it is now a fashion for young men to go to Japan for their higher education. In recent years, the number of Chinese students in Japan has been increased by leaps and bounds. Those who cannot afford to go to Japan have applied themselves very diligently to the study of the Japanese language. Before long, the Japanese language will become even more popular than the English language with our people."

My son: "Why do our young men want go to Japan and learn Japanese language?"

I: "Just look at our cabinet, of which as many as six members are Japanese returned students, while only one is an American returned student. Based on this ratio, if you are a Japanese returned student, you have six more chances to become a big official. Take Yin Ju-keng for instance, he owed his political success primarily to his Japanese education. The Japanese people do not like America, and have a strong prejudice against American returned students. Therefore, many of our very able American returned students, who could render some great services to our country, have been forced to quit their official positions under Japanese pressure. With the development of our 'friendship' with Japan, there will be a great demand for the services of the Japanese returned students. I have reasons to believe that before long no one will be eligible to hold a high Government post unless he can speak the Japanese language fluently. That is the reason why our wise people are now sending their children to Japan for their education."

My son: "Father, you used to tell us that Japan is our bitter enemy. But now you talk about friendship between our country and Japan. How does it come about that an enemy has now become a friend."

I: "Sonny, you are too young to understand the complexity of international relations. A few months ago, one of our officials rightly said, 'International relations are entirely different from individual relations. Between nations there is no such thing as lasting enmity, for, say, even a hundred years. European history has shown how nations which had been the bitterest of enemies became friends, and how the best of friends flew at each other's throat.' In other words, nations are just like young boys. They may hold each other's hands and proffer friendship one minute, and scratch each other's faces and kick at each other the next minute."

My son: "Father, I don't understand your talk about friendship. If Japan is really our friend, why does she not return Manchuria to us?"

I: "This is not the point in our conversation. What I want you to do is to prepare yourself for your future education in Japan. I assure you that I will not raise any objection even if you go to such an extent as to marry yourself to a Japanese girl, so long as this Japanese girl can be utilized as an instrument for your future political success."

My son: "Father, I am very modest in my ambition. I don't want to be an official. Nor do I like to study in Japan. When I come to age, I shall know enough to choose my own career and my own wife."

At that moment, my wife, who had hitherto been busily engaged in knitting, assumed a serious look and cried at me, "T. S., you are crazy to talk about such nonsense to Shao-chien. I will never permit him to marry himself to a Japanese girl. I want him to be a loyal citizen, not a traitor. He can get along all right without your nonsense." Then turning to Shao-chien, she said, "Don't believe in what your father said. Whenever you want advice, come to mamma. Mamma can always give you good advice. I also believe that a gardener's life is more attractive than that of an official, and that a country with such funny-looking faces as Laurel and Hardy is more interesting than a country which is noted for nothing but murders and robbery."

Chinese Professor Discusses Influence of Confucianism and Taoism

Professor T. C. Lin of Nankai University addressed the Tientsin Rotary Club Mar. 12 on the subject of "Can China Survive?" The speaker, among other things, pointed out that every Chinese intellectual showed a double personality.—In modern terminology every Chinese was consciously Confucian and subconsciously Taoist; rationally Confucian, and temperamentally Taoist. The Taoist influence was to his mind the principal unique element in Chinese thinking. Confucianism was something which outsiders could readily understand, but Taoism was unique, and determined the Chinese individuality and differentiated him from the European or Hindu. It was this aspect, too, which distinguished him most from the Japanese. Everybody could see to-day the influence in Japan of Buddhism and Confucianism, introduced from the mainland long ago. Taoism, on the other hand, had not penetrated into Japan at all. The landscape was dotted with Buddhist temples, but there was not a single Taoist monastery in Japan. It is a very peculiar thing—this Taoism of China. It is not exactly individualism in the Western sense of the term. Rather, it is that under Confucianism the Chinese social order stresses gregariousness, held together by a recognized system of conduct. Taoism stresses nature as against society, a natural order in which the individual enjoyment of the expression of human personality is the highest tenet. The chief element of Taoism is not duty (as in Confucianism); it is *Freedom*.

Japanese Ronins and Chinese "Traitors" Smuggle Goods Into North China Wholesale

BY C. Y. W. MENG (孟長泳)

THE smuggling in North China, which has become so rampant and serious of late, was started about four years ago when the "disgraceful" Tangku Agreement was signed on May 31, 1933, between the Chinese and Japanese authorities, and when Eastern Hopei was demarcated as the so-called "Demilitarized Zone." Since then the Chinese authorities have not been able to exercise any effective administrative power over this portion of the Chinese territory and smuggling of all kinds of cargo has become rampant.

The "Organs" of Smuggling

The Japanese and Korean ronins in the Demilitarized Zone have a good system of organization, the China Youth Alliance being the most powerful of all. When goods arrive at the Demilitarized Zone the Japanese ronins simply employ trucks to transport the goods to the place of destination. In the trucks a few of these ronins, who are fully armed, serve as the "guards." When they reach the Chinese Custom House at Shanhaikwan, and when a search is demanded, they simply disregard all the orders and drive on. In case the customs officials insist on a search other than nominal, these ronins never fail to retaliate by assaulting the Chinese inspectors. These ronins do not only engage in smuggling of goods into China and other illegal businesses, but also in smuggling of Chinese silver out of China.

At first it was only Japanese or Koreans who engaged in this illicit trade. But later on Chinese "traitors" began to take part. Since the establishment of Yin Yu-keng's "Government," the situation has become more favorable for smuggling.

The Three Routes of Smuggling

There are generally three routes for the smuggled goods, namely by railway, land conveyance, and by sea. Since the spring of 1934, the sea route has been most in use. The smugglers usually unload the goods at Peitaiho (China's famous summer resort), Chinwangtao and Lo-ho-kow, but principally at Peitaiho, where there is no custom house. The smuggling steamers, generally coming from Dairen, Yinkow or Hulutao, usually have on board ten or more Japanese or Korean ronins armed with machine guns. These boats usually arrive in groups. Whenever they are met by the Chinese customs patrolling gunboat, they are in a position to disregard the order to submit to search. It has not infrequently happened that the Chinese customs inspectors stand by helpless and actually witness the smugglers unloading the cargoes and transport them to some nearby place, such as Changli, where nominal duties are paid to Yin Yu-keng's government (about half of the ordinary customs duties). From there the goods are transported to Tientsin. It is reported that the Engineering Dock in Dairen is very busy in constructing no less than 50 steamers for use of smuggling!

As to the land route, the cargoes are first carried to Yinkow, whence the railway will carry them to the outskirts of Shanhaikwan where they are unloaded and thence transported by trucks or by coolies to Tung-Lo-Chen, from where the goods are sent to their destination.

Tientsin, the "Center of Distribution"

The passes along the Great Wall and the territory under the control of the Japanese "puppet" offer free entrance to these smuggled cargoes and the territory under Yin Yu-keng's "Government" serves as a good "storage house." Tientsin, where there is a Japanese concession, is the "center of distribution." Tientsin also serves as the center where the Chinese goods and products from the interior are assembled for export smuggling.

From Tientsin the artifical silk and rayon are sent to Shangha and South China; sugar goes to Shensi; wool manufactures go to the interior; cigarettes to Honan. That explains why Honan is "full of foreign cigarettes with many false labels." It is stated that ronins and the members of the China Youth Alliance have repeatedly presented demands to the Chinese authorities to permit them to take up residence in the interior of China, obviously their purpose being to act as "distributing agencies" for the smuggled goods for their "firms" or "companies" in Tientsin.

Revenues Badly Affected

At the outset, the Inspector-General of the Chinese Maritime Customs gave a warning to the commissioner of the Tientsin Custom House to the effect that unless curbed immediately the present rampant smuggling in North China may affect the Sinking Fund which has been built up with the receipts from customs duties and salt revenue in Hopei and Chahar for meeting (in part) the service of China's foreign loans. It was particularly pointed out that in deciding to take effective measures against smuggling in North China, the Chinese Government is also thinking of protecting the vested interests of the friendly powers whose citizens and subjects have invested in Chinese loans secured on customs and salt receipts, part of which is raised in places where smuggling is now rife.

Two of the immediate victims of the rampant smuggling in the North have been the Chinwangtao and Tientsin Custom Houses. Customs reports published by the Ministry of Finance for 1935 reveal that the revenue of the Tientsin Customs for 1935 had fallen to $41,064,033.25—a drop of $74,677.03 against that of 1934. Likewise, the revenue of the Chinwangtao Customs for the past year dropped to $1,428,311.55, a decrease of $331,152.39 compared with that of 1934. At the present juncture when a general increase of the Customs receipts is noted, the diminishing income of the Tientsin and Chinwangtao Customs is undoubtedly of tremendous significance; and the answer is not hard to find.

Smuggling Kills Both Chinese and Foreign Legitimate Trade

Smuggling not only hits badly the Chinese national revenue, but also hits adversely Sino-foreign trade and the Japanese legitimate trade in China also. The result has been that not only the Chinese alone but also the Japanese merchants themselves have presented demands to the Japanese Consul-General in Tientsin to take steps to suppress the smuggling which, as they allege, has "seriously and adversely affected the legitimate trade." It is reported that the godowns of Mitsui Bussan Kaisha Ltd., and Mitsubishi Shoji-Kaisha are piled up with unsold cargoes. Representatives were sent by these two Japanese firms to see the Japanese Consul-General, to urge the Japanese officials "to take joint action with the Chinese authorities to suppress the smuggling." At the end of 1935, at a commercial conference (Japanese) in Tientsin, it was proposed and decided to demand of the Japanese authorities to "accept the Chinese demand to give them (Chinese) the necessary co-operation to suppress the smuggling." But due to the "obstacles" ahead, no action was taken. What the Japanese Consul-General did, we understand, was to "advise" Mitsui Bussan Kaisha Ltd., Mitsubishi Shoji-Kaisha Ltd,the Manchurian-Mongolian Wool Manufactures Association, and others, "not to get hot" and cause disputes. That is all that happened.

According to another report, the Commissioner of the Chinese Custom House in Tientsin also called on the Japanese Consul-General in Tientsin requesting from the latter that he give necessary assistance in suppressing the smuggling, and further demanding that the latter should give him a "written statement" so that in case of accidents the Commissioner could produce the written statement to the smugglers to show that such is the Japanese Consul's instructions. But aside from giving a verbal consent, the Japanese Consul-General refused to give any written statement, contending that when the cargoes arrive at the Chinese port, it is not a matter which comes under consular jurisdiction.

We find that this smuggling is killing the legitimate trade of the Japanese themselves. So not only the Chinese protest, but also the Japanese themselves. Not only the Chinese want to take some anti-smuggling measures, but also the Japanese, who urge the Japanese officials to accord co-operation to the Chinese authorities to take effective actions. But the Japanese Consul-General in Tientsin did nothing in this direction, except to promise to "advise" the Japanese smugglers to do no more smuggling.

Smuggling in North Felt in Shanghai

After a period of four years, the smuggling in North China is felt everywhere in China. Shanghai feels it the most. The sugar merchants in Shanghai confirm the report that the Japanese or Formosan sugar smuggled into North China is making its way into Kiangsu and Chekiang, adding that the price of Formosan sugar in Formosa is only $7 per picul, but ordinarily in Shanghai the price is $22 per picul. So the smugglers can make an enormous profit. The price of sugar in Shanghai has dropped recently to $15 per picul.

Six Ineffective Anti-Smuggling Measures

After much effort, the so-called six anti-smuggling measures were drawn up and enforced beginning from Mar. 21. That is, in brief, a permit from the customs authority must be produced to the railway administration before cargoes can be transported by the railway. But a report from Tientsin dated March 24 has the following to say:—

> "It appears that since the enforcement of the anti-smuggling measures by the Custom House and the Peiping-Liaoning and Tientsin-Pukow Railway, smugglers have changed their route for smuggling goods into the interior. Instead of going by railway, they are reported to be transporting goods from the coast of Tientsin to Paoting by buses over the Tientsin-Paoting highway. From Paoting the goods are smuggled to the interior."

According to another report, it is said that the buses not only carry the contraband and 10 or more ronins fully armed, but also flags bearing the names of the Japanese trade associations. When they come to the Custom House, they pay no attention to the Customs guards, but drive on. Investigations reveal that bales of rayon have been smuggled into the interior through Tientsin by

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means of trucks, while such commodities as sugar, linen and porcelain have been shipped over the railway. According to the agreement made between the Tientsin Customs House and Peiping-Liaoning Railway Administration, the six anti-smuggling measures apply only in the Central and Eastern Peiping-Liaoning Railway Stations whence the trains start for the interior. As to the cargoes coming from "Eastern Hopei" (Yin Yu-ken's Government) the Railway Administration is still under obligation to transport them as usual. Such cargoes after reaching Tientsin, and after change of "labels" are at once loaded on trucks which carry them to their destination under the protection of the "ronins." No inspection is possible; nor could the customs officials interfere.

It would seem that so long as the many "puppets", under Japanese protection, such as Yin Yu-keng's "Government", etc., are in existence, in North China, there is absolutely no way to suppress the smuggling. The present six anti-smuggling measures might stop the smuggling by railway, but this does not mean that smuggling is being suppressed, for the smugglers simply change their route and reach the interior by means of the many highways.

Well Organized Smuggling

From the above, it will be seen that the smuggling in North China is a well organized traffic, with definite support, assistance and military protection, in the form of connivance, acquiescence, etc., which enable the smugglers to be "fully armed", to open fire and to refuse to be searched by the Chinese customs inspectors. Due to high tariff walls, Japanese goods are barred in other countries. But here in China they find a good market and suitable circumstances enabling them to carry out their dumping policy. As they label their goods "Made in U.S.A.," "Made in England," etc., there is no way for the Chinese customers to distinguish the goods of true origin.

At least 10,000 packages of Japanese rayon (artificial silk), sugar, and cloth are still smuggled into Tientsin *via* eastern Hopei daily, a *Kuo Min* message from Tientsin Mar. 30 stated. The recent arrangements made by the Tientsin Customs and the Railway authorities are confined only to prevention of smuggling through the Eastern and Central railway stations.

Consequently, "ronins" are still able to smuggle goods into Tientsin via eastern Hopei, and evade inspection by the Customs. Moreover, large quantities of Japanese goods are still being smuggled at Tientsin by motor cars and trucks, which are not subject to inspection by the Customs.

Nanking, April 1, 1936.

Dr. H. H. Kung Points the Way to Economic Recovery

Dr. H. H. Kung, Minister of Finance, in the course of an address given at the weekly memorial meeting at the Central Kuomintang Headquarters in Nanking Mar. 30 stated that China welcomes foreign capital, but in order to hasten economic revival in this country the Chinese people themselves must take the initiative and place the responsibility on their shoulders.

Dr. Kung began by enumerating the following important points of the economic recovery policy:

(1) Concentration of the nation's capital for productive purposes.
(2) Promotion of frugality.
(3) Development of rural industries.
(4) Furtherance of productive reconstruction enterprises.

Nanking Plans to Develop China's Export Trade

In an attempt to balance China's foreign trade, a joint meeting was held in Nanking, Mar. 25, by representatives of the Ministries of Finance, Industry and Foreign Affairs to formulate measures to encourage export trade and limit import trade. As a result of the meeting, it has been decided that measures be taken to organize the exporters for the encouragement of China's export trade and to limit the foreign imports. A big international trading company will be organized jointly by the Government and the exporters to develop China's export trade, according to the decision of the joint meeting.

Joint Silk Committee to Be Organized by Silk Filatures

In an attempt to control output as well as sales, the silk filatures of Wusih, Shanghai and Chekiang have decided to organize a Joint Silk Committee. According to these silk filatures, the Committee will have control of the quality and quantity of production of the filatures and will push the sales of the products of all these filatures jointly. Co-operation is necessary, at the present time of serious business depression, according to the filatures.

In order to promote the sale of Chinese silk abroad, the Ministry of Industry has decided to establish a warehouse in Marseilles and sales agencies in Paris and London. Preparations are being started in order to realize the scheme as early as possible.

Canton Authorities to Build Storage House for Impounded Silver

The authorities at Canton are building a large edifice for storing the silver coins so far collected since the execution of the new monetary plan. This silver storage house, when erected, will be placed under the charge of the Provincial Bank. Construction is expected to be completed by the end of May.

Old German Concession in Tientsin to Have Chinese-owned Electric Works

Tientsin will have its first Chinese-owned electric power works in the First Special Area (former German Concession) it is announced. The plant will be equipped with two electric generators of 1,500 kilowatts each, and will be capitalized at $500,000. The company is to make an annual contribution of 20 per cent from its profits to the Tientsin Municipal Government. The charter is for 19 years, after which the plant will be turned over unconditionally to the Tientsin Municipal Government.

Work on Southern Section of Fukien-Shanghai Telephone Line Is Resumed

Construction work on the Fukien section of the Foochow-Shanghai telephone line, which forms a link of the nine-province long-distance phone network, is being feverishly pushed to an early completion. Installation work on the section had been interrupted for some time by the Communist situation, but is now being resumed under the protection of armed forces.

Joint Sales Office of Chinese and Japanese Match Factories To Be Organized

Arrangements have been concluded between the Chinese and Japanese match factories for the organization of a joint sales office to be known as China Match Products Joint Sales Office. The capital of the office will be $5,000,000, to be subscribed by both the Chinese and Japanese match factories in China. The Chinese match interests (including the Great China Match Factory owned by O. S. Lieu) will subscribe $3,750,000 and the Japanese match interests will subscribe $1,250,000. The *Sin Wen Pao* states that this action on the part of the Chinese and Japanese match factories is for the purpose of promoting their business jointly and to check the smuggling of matches from a certain country, which has seriously hampered the development of business of the Chinese and Japanese factories in China. However, this new joint sales office has not been joined by the match interests of South China and it will hardly stop the smuggling of matches along the Kwangtung and Fukien coast in the south.

No Offer for Ta Sen Cotton Mill

Because of heavy losses, the management of the Ta Sen Cotton Mill had decided to sell the factory at public auction, but no offer at the set-up price of $2,000,000 was received. Mar. 28, the management reduced the price to $1,600,000, but still found no buyer. It is reported that the mill owes $1,000,000 to the Bank of China and the Bank of Communications and negotiations have been started to persuade the banks to take over the mill.

Kiangsi and Anhwei to Improve Tea Transportation

Gen. Hsiung Shih-hui, Chairman of the Kiangsi Provincial Government, proceeded to Anking this week to confer with the Anhwei authorities on the establishment of facilities in the two provinces.

Nanking to Spend Half a Million in Dollars on Railway and Health Facilities

Kuo Min states that a loan of $500,000 for reconstruction work in the Capital has been secured by the Nanking Municipal Government from the Bank of Communications. Of this $400,000 will be used for the extension of the Nanking City Railway and the balance of $200,000 for additional public health facilities.

In an editorial on March 24, the *Shun Pao* emphasized the importance of the completion of the Chengtu-Changsha railway, declaring that the province of Szechuan is the ideal place for the renaissance of the Chinese nation. The paper declared that the efforts made by Chang Chia-ngau, Minister of Railways, to extend the railway net in China are worthy of commendation and the hope was expressed that the authorities would render their full support for the realization of Mr. Chang's plans.

Kiangsi Plans to Build Two Branch Railways

The Kiangsi Provincial Government is planning to build two branch railways to connect with the Nanchang-Pinghsiang Railway. One of the lines will connect Changshu and Kanchow while the other will connect Kweiki and Loping cities.

Japan to Build Railway Connecting Chong Hsien and Shihchichuan in May

As a result of the investigations by the Departments of Investigation of the Japanese Military Headquarters and the South Manchuria Railway Company and the Hsin Chung Company, the South Manchuria Railway Company has decided to build a railway connecting the Peiping-Hankow and Tientsin-Pukow Railways at Shihchiachuan and Chong Hsien. Survey work of the line has been completed and construction will be started in May.

Nanchang-Kiukiang Railway Makes Arrangements to Liquidate Japanese Loan

It is learned that, following lengthy negotiations, the Chinese authorities have agreed to liquidate the Japanese loan of the Nanchang-Kiukiang Railway amounting to Yen 10,000,000. According to terms agreed by both sides, the Ministry of Railways will pay to the Japanese monthly the sum of Yen 70,000. The whole loan is to be liquidated in about 12 years.

Shanghai-Wuhu Through Train Service Is Inaugurated

Through train service between Shanghai and Wuhu (Anhwei) was inaugurated April 1 under the joint auspices of the Shanghai-Nanking and the Kiangnan railway administrations.

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Railway Hospital at Tientsin Opened April 1

The newly completed Tientsin Hospital of the Peiping-Liaoning Railway Administration was opened in Tientsin April 1. The new hospital cost $200,000 and is one of the biggest in the city.

Six Locomotives from Germany—Eight from England

The first of six German locomotives ordered last August by the Chekiang Kiangsi United Railway Corporation through Otto Wolff Koeln (China Branch) arrived in Shanghai recently in my. *Havel*; the others are being shiped with the vessels *Rameses*, *Goslar*, and *Burgenland*. The locomotives are destined for heavy goods and passenger service on the new line between Yushan and Nanchang. In working order each of the engines weighs 148½ tons, including the tender.

The Chinese Government Purchasing Commission held its annual meeting at the Chinese Embassy in London Mar. 11, Quo Tai-chi, Chinese Ambassador, presiding. It was revealed at the meeting that contracts placed with British firms last year amounted to £688,538, and that the total from the beginning of operations in 1931 came to £3,603,563. The Committee, it was stated, had ordered eight more very powerful locomotives of 190 tons each for the Canton-Hankow Railway in addition to the sixteen already acquired.

Shanghai Industrial Mission to Southwest Gratified with Result of Investigation

The Shanghai Industrial Mission to the Southwest, on returning to Shanghai from Hongkong Mar. 30, in a statement issued to the local press expressed gratification with the remarkable progress made in various industrial enterprises in Kwangtung and Kiangsi provinces during recent years, particularly in the field of sugar, silk, tung oil and rice production.

Bankers' Acceptance House Holds First Meeting

The first meeting of the new Bankers Acceptance House of the Joint Reserve Board of the Shanghai Bankers Association was held in Shanghai Mar. 27. Over 30 representatives of the various member-banks were present with Li Ming, General Manager of the Chekiang Industrial Bank, presiding. Mr. Li reported on the establishment of the Acceptance House. Sponsored by the Joint Reserve Board of the Shanghai Bankers Association, its aim was to develop the system of discounting bills by the banks in Shanghai. With the establishment of the Acceptance House, Mr. Li said, further facilities will be provided for the development of industry and commerce, and the promotion of business in general.

A report on the work of the Acceptance House was made by Percy Chu, the Manager.

Japanese Paper Says Hongkong Bank Has Turned Over Silver to Chinese Banks

The Shanghai *Mainichi* Mar. 26 stated that the Hongkong and Shanghai Banking Corporation a week previously had transferred all its silver to the three Government banks of China. Meanwhile the silver reserve in the banks in North China has increased from $30,000,000 to $70,000,000 as a result of the introduction of the monetary reform measures of the Nanking Government, calling for the nationalization of silver.

"Small Money" Is Banned in Kwantung Territory

"Small money" silver coins became illegal in the Kwantung Leased Territory effective April 1.

Ministry of Finance Denies Postponement of Foreign Loan Payments

According to a responsible spokesman of the Ministry of Finance, the report to the effect that the Chinese Government will postpone the payment of interest and principal on foreign loans for one year, in view of the need of large sums of money to complete the various construction works in the country, is entirely unture. With the stabilization of China's finances, the spokesman added, there is no need for such an action.

Dr. H. H. Kung to Call Conference on Readjustment of Taxes

Dr. H. H. Kung, Minister of Finance, will call a conference of high officials of the Ministry to devise ways and means of readjusting tax revenue. Wu Chi-ting, Director of the Internal Revenue Administration of the Ministry of Finance Mar. 30 made a report to the Finance Ministry on the present administration of the consolidated, mining and tobacco and wine taxes. According to Mr. Wu, an increase of more than $800,000 in the tax revenue has been secured since the appointment of special inspectors by the Ministry of Finance three months ago.

Chekiang to Borrow Three Million as Relief for Merchants

The Hangchow Chamber of Commerce last week petitioned the Chekiang Provincial Government to borrow $3,000,000 from the Central Bank of China, the Bank of China and the Bank of Communications for use as relief funds to the commercial and industrial houses. It is reported that as a result of a series of negotiations between the Chekiang Provincial Government and the branch offices of the three Government banks, the loan agreement has been submitted to the head offices of the banks in Shanghai for approval.

Kwangtung Places Embargo on Export of Gold

Acting in accordance with the new currency policy, the Kwangtung Provincial Government has imposed a ban on the export of gold in addition to that on silver, and has instructed the Kwangtung Provincial Bank to purchase gold for government reserve. A set of regulations governing the embargo on the export of gold was promulgated by the provincial government several weeks ago. According to the regulations, the maximum amount of gold ornaments which a passenger may carry out of the province is fixed at a worth of $200 provincial legal tender. If any passenger is found carrying gold ornaments more than the legal allowance, the excess amount shall be confiscated. Regulations governing the purchase of gold by the government were simultaneously promulgated by the Kwangtung Provincial Bank. Owners of gold, gold foil, gold bars, or gold ornaments, it is provided, may apply for sale of their possessions at the bank at quotations fixed by the latter. The minimum amount for each sale is fixed at 25 ounces.

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Gen. Uyeda Presents Credentials as Ambassador to Manchukuo

Gen. Kenkichi Uyeda, new commander-in-Chief of the Kwantung Army and concurrently Japanese Ambassador to Manchukuo, was received in audience in Hsinking, Mar. 30 by Emperor Kangte, to whom he presented his credentials. Gen Uyeda arrived in the Manchurian capital Mar. 28, succeeding Gen. Jiro Minami who has returned to Tokyo for service with the Army General Staff.

Gen. Jiro Minami, former Commander-in-Chief of the Kwantung Army and Ambassador to Manchukuo, transferred to the Supreme War Council earlier this month, arrived in Dairen Mar. 29 from Hsinking en route to Japan. On his arrival, he was the dinner guest of Yosuke Matsuoka, President of the South Manchuria Railway Company.

Japanese military and diplomatic officials stationed in Manchukuo exchanged views in Hsinking March 28 with Hachiro Arita, Japanese Ambassador to Nanking, previous to the latter's return to Tokyo to become Foreign Minister. A variety of subjects were discussed among them: The Kwantung Army's policies regarding North China; the relations between Manchukuo and Soviet Russia and Outer Mongolia; and China's attitude towards a rapprochement with Japan and conditions in the new Empire. Manchukuo diplomatic officials also attended the meeting.

Mr. Arita, on his arrival in the Manchurian capital, called on Gen. Kenkichi Uyeda, new commander of the Kwantung Army and concurrently Ambassador to Hsinking. The ambassador, it is understood, revealed the nature of his four-day conversations with Gen. Chang Chun, Chinese Minister of Foreign Affairs, and his subsequent interview with Gen. Chiang Kai-shek, president of the Executive Yuan.

Gen Uyeda Says He Will Seek Inseparable Relations Between Japan and Manchukuo

General Uyeda, in a statement issued on his arrival at Antung, enroute to Hsinking, said: "Manchukuo has made remarkable progress in the past four years, under the sagacious leadership of Emperor Kangte. Japan's policy towards Manchukuo will remain unchanged, with the former seeking to strengthen the inseparable relations between the two countries and to respect the new Empire's independence."

The Japanese officer declared his intention to follow closely the spirit of the Japan-Manchukuo Protocol and Nippon's fundamental policy towards Manchukuo and to do his duty in strengthening Manchukuo's defenses, establishing internal peace, improving administration and increasing the new Empire's national wealth.

S.M.R. to Move Head Office to Hsinking

The Tokyo *Asahi* printed a dispatch from Dairen March 20 stating that the South Manchuria railway company plans to move its head office from Dairen to Hsinking, in order to more intimately co-operate with the Kwantung Army.

Matsuoka Denies Reports of Regsination

Reports of his resignation from the presidency of the South Manchuria Railway Company, because of the change in the command of the Kwantung Army, were emphatically denied by Yosuke Matsuoka in Hsinking Mar. 28, following his interview with Gen. Kenkichi Uyeda, the newly-appointed Army's Commander-in-Chief.

Mr. Matsuoka said that he took the post, intending to hold it for five years. "I shall never resign," he added, "unless I am ordered to do so by the higher authorities."

Questioned on reforms in the South Manchuria Railway Company, Mr. Matsuoka said that his observations have convinced him of the difficulty of the task, and that he would give the matter a "very careful consideration."

Asked the same question, Gen. Uyeda, declined to confirm or deny that he intended to reorganize the concern. He added that he had never heard of a plan to place a high Army official at the head of the railway firm. "Should the vested mission of the S.M.R. undergo any changes, these would inevitably result in the company's reorganization," he said. "Such a reorganization, however, could not be carried out easily or promptly."

More Manchurian Rewards to Be Issued

Remaining rewards for meritorious services in connection with the Manchurian and Shanghai Incidents of 1931 and 1932 are be announced early this month. The awards will be granted to public officials, including mayors of towns and village heads; the remaining officers and men who saw service in Manchuria, and officials of Ministries other than the War. Army officials revealed that by April 29, 1934, nearly 300,000 Army and Navy officers and men, members of the two Chambers of the Diet, Government officials and employees of the South Manchuria Railway Company will have been rewarded for their services in connection with the two incidents.

Five Killed, Seven Wounded in Manchukuo Bandit Foray

Four Russian and one Japanese railway guards were killed, another was fatally injured, while seven others suffered wounds of varying seriousness when bandits attacked a convoy of three trucks carrying 18 railway officials on a mountain road on Kwantien-hsien in Antung province during the morning of Mar. 29. The dead and injured were all brought to Anking the following day. The attack took place when the officials were returning from a survey of the railway construction work at Huanjen. The party put up a stiff defense but were overwhelmed by the outlaws who were estimated at more than 70 by one of the survivors.

Released Soldiers to Remove Dishonor With Death in Manchuria

The *Tokyo Yomiuri* of March 22 in noting that more than 1,320 of the 1,360 soldiers detained on account of their participation in the Feb. 26 incident had been released from detention and that the First Division to which they belong had been ordered to proceed to Manchuria commented: "The former insurgent soldiers, now having felt keenly the error of their action, are said to be engaged in their military duties faithfully, showing high spirit and saying unanimously: 'When we get to Manchuria, we will remove our dishonor with death and show our faith and loyality as members of the Imperial Army.'"

Two Chinese Girl Students Allegedly Slash Japanese on Train Near Tsitsihar

Two Chinese girl students were arrested in Harbin Mar. 25 for attacking a Japanese employee of the North Manchuria Railway. Their names were not announced, but they are described as sisters aged 22 and 20. A Japanese named Avano alleges that shortly after a passenger train left Tsitsihar, the two sisters who were the only occupants of a second-class compartment besides himself, attacked him with daggers. Avano shouted for help, but, before the train guards could rescue him, he was severely cut about the face and neck.

The young women, when examined, stated that they were students of the North Eastern University, but refused to give any explanation concerning their visit to North Manchuria.

French Capital Investment in Manchuria

The *Shanghai Nippo* states that a new Japano-French Company with a capital of Yen 100,000, has been organized in Manchuria on the initiative of French capitalists and in accordance with the trade law of the Japanese Government. The new Company will invest capital in the construction of enterprises, promoting trade, etc.

Minami Returns to Japan to Assist in Tightening Military Discipline

Ending a sixteen-month term as commander-in-chief of the Kwantung Army and concurrently Japanese ambassador to Manchukuo, Gen. Jiro Minami Mar. 29 departed from Hsinking for Tokyo where he will be attached to the Army General Staff. Gen. Minami's return to Tokyo came as a sequel to the recent military uprising in the Japanese capital and was made as his own request as the officer, who heads the Army list in seniority, asked to be permitted to take a part in the proposed tightening of military discipline.

Manchukuo to Establish Commercial Representation in Berlin

The Tokyo *Asahi* Mar. 25 stated that Manchukuo with a view to establishing its commercial representation in Germany to represent its economic interests, will shortly set up its offices in Berlin and appoint three or more members of the staff. A Berlin message stated that a request had been made by the Manchukuo Government to quarters concerned for an estimate of the costs of a building, automobile and typists to be employed, etc. Preparations are to be rushed in Berlin for the purpose of opening the office, the telegram stated.

China's Consul General in Honolulu Describes China's Achievements

King-chau Mui, Chinese Consul-General in Honolulu, in an address over radio station, KGU, March 5, on "China's Achievements in 1935," among other things pointed out the great progress made by China in communications. Fifteen years ago, there were only a little over 635 miles of highways. Five years ago, this mileage had jumped to 37,000, while today there are no less than 56,250 miles of highways. While there were no connections between provinces five years ago, these sub-divisions are now linked together with 18,650 miles of inter-provincial highways. Six years ago there were only 200 motor cars in Nanking; today the number has increased to over 3,000. Equally big strides have been taken in the construction of railways, in the field of postal and telegraph development, long distance telephone, radiophone and broadcasting services. China has has become air-minded. Last year she opened up 10,000 miles of airways, thus bringing China's frontiers together. She has forty airports. Lanchow in Kansu was only a few years ago considered a remote city in China's great Northwest—a place that was talked about but beyond the reach of the ordinary traveler. Today, speeding through the air, one can leave Shanghai at 6:30 in the morning and arrive at Lanchow at 4 in the afternoon. To go from Shanghai to Chengtu, Szechwan, along the Yangtsze River, used to require a month of hard and arduous travel; the traveller can now span the 1,300 miles in 10 hours of comfortable air travel.

Netherlands Air Survey Expert Coming to China

At the invitation of the Chinese Government, Prof. W. Schermerhorn of the University of Technology at Delft in West Netherlands is coming to China early in June for a short visit in the capacity of honorary adviser in aerial survey work. Prof. Schermerhorn is one of the main promoters of air surveys for cadastral engineering, and has, in close co-operation with leading air photographic experts, developed special methods for aerial surveys in flat countries. While in China, it is learned, Prof. Schermerhorn will spend most of his time in Nanking where he will be available for consultation with Chinese air survey authorities.

New Director is Appointed for C.N.A.-Eurasia Joint Office

Chou Shih-an, Director of the Nanking Joint Office of the China National Aviation and the Eurasia Aviation Corporation, resigned his post last week. Niu Yin-chu has been appointed his successor.

C.N.A.C. Plane Catches Fire in Mid Air at Hsiakwan

Two pilots of the China National Aviation Corporation's No. 25 eastbound Ford plane on the Shanghai-Hankow line miraculously escaped almost certain death when the plane, taking off from the Hsiakwan river front caught fire in mid air Mar. 31. Immediately upon the outbreak of the fire in the motor, a forced landing was effected. Fortunately no passenger was on board and the pilot and co-pilot both escaped unscathed. With the exception of the two wings, the plane, including the engine, was burned beyond repair. The burned plane, which was on regular service in the Shanghai-Hankow line, cost about $200,000 and is fully insured.

Southwest to Take Over Canton-Hanoi Air Service

The Southwest Aviation Corporation received instructions last week from the Ministry of Communications to take over the Canton-Hanoi air service from the China National Aviation Corporation. The Canton-Hanoi air service which was suspended recently owing to various difficulties, it is understood, will be resumed shortly.

Chungking-Yunnan Air Service Is Resumed

The air-mail and passenger service on the Chungking-Kweiyang-Yunnanfu Airway, which was recently suspended on account of an airplane accident on the Yunnan-Kweichow border early last month, was resumed Mar. 24.

Sian Holds Anti-Air Maneuvers

Anti-air raid maneuvers were held in Sian Mar. 29, under the auspices of the Air Defense Committee of the Military Affairs Commission.

U.S. Airlines Carry Largest Number of Passengers in 1935

American commercial air lines carried the largest number of passengers in their history in 1935. Statistics show that 746,946 passengers were carried, a gain of 61 per cent on 1934. Nearly four times as many commercial and private airplanes as military planes were built in the United States during 1935.

For the 12 months September 1934 to September 1935, a total of 759 commercial and private airplanes were built, compared with 234 for military use.

Funds Are Sought for Aerial Education in Japan

Appropriation of Yen 35,000 for popular lectures on aviation and free flights for air-minded Nipponese, to develop the nation's interest in civil aviation, will be sought by the Ministry of Education in the 1936-37 budget.

Air Disasters Cause Deaths in Italy and France

A triple-engined Italian military plane from Bologna crashed at Castiglione del Lago, in central Italy, Mar. 30, killing an officer and three other ranks. Two persons were killed and two others seriously injured in a mid-air collision between two civilian airplanes over the Toussus le Noble airdrome in France, on the same date.

Two Japanese Pilots Killed in Mid-Air Crash

Two pilots met instant death at Tateyama, Mar. 31, when their planes collided in mid-air during aerial exercises over Hojyo Machi, near here. The craft, which belonged to the Tateyama Aviation Corps, were completely demolished.

Air Disasters in England and Mexico Take Heavy Toll

Fourteen persons were killed in Mexico City Mar. 26 in the crash of a trimotored airplane, which had been specially chartered for a world tour.

Four men and one women were killed Mar. 27, when a commercial airliner crashed near Lyndhurst, England. The dead included Captain Birmingham, who was an experienced pilot. The machine was engaged in Army co-operation work involving night flying in order to give searchlight units practice in locating aircraft.

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Paul Barentzen,
Commissioner of Customs.

CUSTOM HOUSE,
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Unemployed Formosans Flack to Fukien—Rumors Persist of Pro-Japanese Autonomy Movement

ALTHOUGH the situation in Kwangtung and Fukien remains calm, despite the persistent rumors of a pro-Japanese autonomy movement in Fukien on lines similar to the Tungchow puppet regime, in the north, the entry of over 40,000 irresponsible foreigners, mostly unemployed Formosans, into Fukien has caused serious concern to the Chinese Covernment. These unemployed Japanese subjects are alleged to have associated themselves with certain disgrunted and retired Chinese militarists in Fukien with a view to establishing an anti-Canton and anti-Nanking Covernment in Fukien for their own aggrandisement and self-gains.

That the Japanese have for a long time been harboring designs on South China is a fact which cannot be disputed. It was not accidental that so many prominent and influential Japanese army and political leaders visited South China in recent days and weeks. In each case the visitor usually came to Hongkong first, then Canton and finally Nanking and Wuchow, two foremost Kwangsi cities. In this category can be recorded the visits first of Major-General Kenji Doihara, head of the Japanese military mission at Mukden, some months ago, then M. Matsumoto, special representative of the Japanese Foreign Office, then Major-General N. Okamura, chief of the Japanese Army's General Staff, then Lieut-General T. Hashimoto, formerly the Vice-Minister of War in the last Japanese Cabinet, then Rear-Admiral S. Shimomura who came from Swatow after investigating the alleged murder of the Japanese consular police officer, then Rear-Admiral Inushiro Hosokaya, commander of the Fifth Destroyer Squadron and last but not the least a retired Japanese general called Iwane Matsui. The last named came here last month and preached the Monroe Doctrine of Asia for the Asiatics.

Much Unrest in Swatow

A close study of the South China situation reveals the fact that in most cases the Japanese-Chinese complications first arose at Swatow, important river port of Eastern Kwangtung. Hardly had the "incidents" concerned with the Formosans' smuggling of rice into Swatow and Chaochowfu and the mysterious death of the Japanese consular officer been settled, than the Japanese consular officials at Swatow began demanding the right to build a new wharf opposite the Japanese Consulate Office. The matter was first referred to the Eastern Kwangtung Pacification Commissioner's Office. When the case came to the attention of the Canton provincial government, the latter high authorities sent Kan Chia-hou, the Inspector-General of Foreign Affairs in the south-western provinces, to Swatow to make further investigations. Why the Japanese want to build such a big wharf for landing of cargo and other purposes is beyond the comprehension of the Chinese. There is a suspicion that the step has some military significance.

Although the incident arising out of the seizure of certain cargoes of rice owned by Japanese and smuggled into Swatow had been settled, it does not mean that the Japanese subjects and Formosans have entirely ceased all forms of smuggling activities. A reliable Chinese report the other day estimated that between 500 to 600 Japanese and Formosans have arrived at Swatow with about 200 people of the same nationality found in Chaochowful and Meihsien, two East River big districts. Being mostly smugglers, organisers of gambling houses and traitors, these foreigners have been closely watched all the time by the Cantonese military officials in the respective districts.

Under foreign leadership it is known that at least 400 persons are engaged in smuggling in Swatow for their living.

It is mostly because of the present unrest in Swatow and in districts bordering the Kwangtung-Fukien frontier that the Central Government made the urgent appointment of the young Cantonese officer, General Chang Fah-kwai, to be commanding officer in Fukien. Once Canton's Commander-in-chief, General Chang Fah-kwai, was Cantonese supreme ruler for some months in 1927, when he was head of the Ironside Regiments. These regiments have some distinguished records of war services and their presence in Fukien at the moment should serve the useful purpose of checking any uprising of pro-Japanese autonomists. Canton reports have it that the Nanking Government has given General Chang Fah-kwai full power to deal with the autonomists by exercising the most drastic measures without consulting Nanking's higher authorities.

One of his first official acts in Fukien to assure peace and integrity of the Chinese sovereignty was to seek the close co-operation of his erstwhile colleague in the Canton Army, General Chen Chi-tang. Two full divisions under General Chang have been dispatched to south-western Fukien nearest to Kwangtung. General Chen Chi-tang also sent the First Independent Division under General Wong Yam-wan to the Fukien border. Ostensibly these regiments went there to suppress Communist bandits, but in reality their duty is to check any anti-Chinese disturbances from foreign-inspired peasants and other irresponsible characters.

Concern for Three Provinces

Apart from the commission undertaken by General Chang Fah-kwai, the Nanking Government has sent similar instructions ordering the Chekiang and Kwangtung governments to prepare for untoward developments.

A reliable Fukien report the other day mentioned the important fact that the pro-Japanese elements have made Anki, Tehwahsien, Weian and Chaoan their centres of conspiracy and agitation. These four districts are not too well known to most foreigners and hence a foot-note of their localities is considered necessary. Anki is near Chuanchow and Changchow, while Tehwahsien is about eighty miles south-west of Foochow, the provincial capital of Fukien province. Chaoan is in southern Fukien near the Kwangtung-Fukien border about midway between Swatow and Amoy.

Weian is nearest to the Fukien coast from which the autonomists can easily get their arms, ammunition and other supplies once their conspiracy comes to a full shape.

It is also interesting to note that all these districts mentioned as centres of the autonomy are infested by Reds, who should be the first ones to throw in their lots with the traitors of China. But what has worried the Canton Government most is the reported agitation in Chaoan, which, because of its approximation with Kwangtung, can lead to a spead of the autonomy from Fukien to Kwangtung through Swatow.

The disturbing news was received from Amoy the other day to the effect that 4,500 rifles were unloaded from a Formosan steamer. Of these 3,000 rifles were taken to Chaoar and 1,500 taken to Paotien, another town in which the autonomists are planning for their uprising.

The general belief is that rifles were smuggled into Fukien for the autonoomists, but on the other hand they can easily have been intended for the smugglers. As a Chuanchow report reveals that a gigantic smuggling organisation has been secretly established by foreigners of a certain nationality somewhere between Amoy and Chuanchow.

The organisation possess a fleet of thirty junks and armament of many hundreds of rifles. The smugglers have a capital of $600,000. They are also equipped with all the modern device of communications including a wireless station. Rice and sugar are among the commodities usually traded by this organisation.

Extraordinary measures of military emergency have been taken by the subordinates of General Chang Fah-kwai and hundreds of autonomy suspects have been detained in various places of Fukien. There have been many summary trials and executions. Many of these suspects are still being kept in confinement until their innocence has been definitely proved.

Attracting much political attention in Canton is the Macao report that some Japanese interests are buying a piece of land at $420,000 on the reclamation section in the south-eastern side of the city. The Japanese have already paid a deposit of $50,000, while the balance will be paid to the Macao Portuguese Government on the completion of the deal. The area which the Japanese

purchased was reclaimed from the sea by a Dutch dredging works after many months' work on behalf of the Portuguese Government.

Originally it was the Portuguese Government's intention to remove the existing fantan gambling and other houses of vice to the reclamation site, making it the new centre of business activities. For some unknown reason the idea was dropped. But what surprised most Chinese in Macao was the fact the Japanese bought this land as soon as the reclamation was finished, although a Chinese estimate places the land at a price of only about $200,000 at market value. To what use will the Japanese put their purchase, the Chinese are asking? Speculation is rife and many alarmist constructions have been put on the move, including that a measure of self-government goes along with the land.

Another Chinese report says that it will serve as the site for a military barrack or ammunition depot. An airdrome for the landing of Japanese airplanes is another conjecture put up by a Canton newspaper when referring to the Japanese purchase of the reclamation.

Mar. 24, 1936.

Dr. W.B. Nance Reviews Forty Years of Work at Soochow University

Soochow University observed University Day Mar. 21. The occasion marked the rounding out of terms of service of four professors ranging from 25 to 40 years. The professors honored were Messrs. Wu Shich-z., Sih Kwue-yin and Tsz Sia-koh, together with Dr. W. B. Nance, who had rounded out forty years in China. The principal address was delivered by Dr. Nance, who took as the subject of his remarks, "The Impressions of Forty Years."

"Just forty years ago," remarked Dr. Nance, "to be exact I stepped on the University jetty at 2.00 p.m. Not many of you were here then." He then proceeded to outline the advances he had seen in China during this forty years. First, transportation had made tremendous strides. He required three days to come from Shanghai on his arrival, while on the previous day he had come from Shanghai in less than two hours. It was likewise pointed out that cars were rendering a service to China.

Dr. Nance then called attention to the fact that when he came to China telephones were just being extended to country villages in his native state of Tennessee. "Movement for the building of good roads," continued Dr. Nance, "is significant to the development of the country. Wealth is increased and standards of living are extended."

At this point Dr. Nance referred to his arrival in China. That he attended a Ratepayers Meeting in Shanghai on the very first day. He hardly knew what to expect, but found the ratepayers of Shanghai discussing whether or not a franchise for building of tramways in Shanghai should be granted. The proposal was voted down because it was contended that the trams would clutter up the streets of Shanghai. However there were farsighted men in Shanghai who felt that the day of rapid transportation would come.

Dr. Nance also pointed out the part education had played in this country. One of the most interesting side lights was the reference to the fact that the first efforts at founding schools failed because the young men themselves did not feel the need for modern education. The university was assured once the young men themselves wanted modern education.

Dr. and Mrs. Nance are returning to America on furlough in the near future.

White Russian Enthusiast Gives Tea Party at Park Hotel

A recent arrival in Shanghai is A. A. Vonsaitsky, a Russian emigre who has for some time lived in the United States and has apparently become an American citizen, with his home in Connecticut. He frequently uses his old title of "Count." Accompanying him is his wife, an American-born woman of considerable wealth, stated to be related to the Pullman family, builders of sleeping cars. The Count is, apparently, conducting a world-wide "White" Russian campaign, but his efforts in Shanghai apparently met with some difficulties. Mr. and Mrs. Vonsiatsky issued invitations for a tea party in the tea room of the Park Hotel Mar. 22 and some 200 guests assembled. Only Mrs. Vonsiatisky was present to welcome the guests. The Count himself arrived three-quarters of an hour late. On arrival he made a short speech in which he made a plea for the "National" Revolution in Russia, honor to the three-colored (old Russian) flag, and relief from the communists and other "enemies" to the true Russian spirit. The Count's remarks were very brief. He stated that it was his original intention to hold a meeting in a local theater but the Municipal authorities would not allow it. Even as regards the tea party the Park Hotel management had told him that if he tried to make a speech the Police would interfere. He therefore made his appeal and immediately departed. His guests, according to the *Shanghai Zaria*, applauded his remarks—and the tea party came to an end.

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Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of JOHN A. SNELL, deceased, to present the same with vouchers to the undersigned on or before October 4th, 1936, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

JOHN W. CLINE,
Executor,
10 Young Allen Terace,
Shanghai, China.

Shanghai, China.

Hsiao's $250,000 "Birthday-Congress" of Far Eastern Political Cliques

BY HALDORE E. HANSON

THE recent $250,000 birthday party of Hsiao Cheng-ying, Mayor of Tientsin, left a peculiar taste in the mouth, a mingling of glamor, cynical amusement and disgust. Curious stage hands who are still trying to peek behind the curtain of North China are scratching their heads about the real purpose of this gawdy show.

Perhaps Mr. Hsiao is what Confucius would call the "paternal monarch," the ruler who induces filial piety by his own saintliness. According to official pronouncements, and solemn ceremonies, and thousands of plaques, Mr. Hsiao is just another Celestial son bringing light and joy to the declining years of his honorable parents, who were curiously born on the same day, March 16, 1870. Now it is a sad thing to upset the halo of a pious man, but the truth must out: the elder Hsiao is not 66 but 65, and his wife is 63. And what is even sadder, neither one of them were born on the 16th of March. Grampa and gramma allegedly were the victims of one of the biggest political hoaxes in recent years.

The newspaper accounts of the celebration, if erring at all, were belittling to the lavishness of the dutiful son. On Monday and Tuesday, March 16-17, the Hsiao palace in Peiping was as crowded as a subway train with well-wishers: 2,000 for breakfast, 3,000 more for lunch, another 3,000 for dinner. Free tea, free cigarettes, free wine, free hotel rooms, free trains from Tientsin. Everyone was welcome; there were no invitations. All one need do was send in his card, and a genial committeeman would conduct him to genial Mr. Hsiao, who would introduce him to his genial friends and invite him to have a genial meal or see a genial drama. Life is so genial these days. The local press reported that Hsiao bowed 40,000 times in 48 hours.

The class of people who responded to Mr. Hsiao's geniality was puzzling, the kind of puzzle that makes your eyes narrow and your cigarette drop in your mouth. First there were the representatives of General Chiang Kai-shek, and the new Chinese Ambassador to Japan, Hsu Shih-ying, Next came four affable Cantonese representing Hu Han-min, Chen Chi-tang, Li Tsung-jen, and Pai Chung-hsi. A certain "political economist" of the French Concession, Tu Yueh-sheng, sent one of his wives; she was his personal "conveyor of greetings." Shanghai's Chief of Police likewise sent his wife. High officials from Taiyuan and Tsinan carried incense for Yen Hsi-shan and Han Fu-chu, cautious observers of autonomy. The local officers of the Japanese Kuantung army turned out *en masse*.

The birthday assemblage was a passable congress of Far Eastern political cliques, the only notable absentees being Pu Yi of Manchukuo and Mao Tse-tung of parts unknown.

Why this congress was called might be inferred from the past career of Hsiao Cheng-ying himself. He was born in the province of Kirin in 1890, and graduated from the local law school at the age of 26. In provincial politics and later in the parliament at Peking he was known and feared for his oily tongue. By 1927 he had risen to a trusted political advisorship under Shih Yu-san, ex-Chieftain of Shantung, and now No. 1 instigator of autonomist movements in Tientsin. In 1298 Hsiao was removed from his Shantung post by order of Feng Yu-hsiang, for reasons unstated.

Less than a year later Hsiao popped up as Mayor of Sianfu under the temporary Shensi governor, Sung Cheh-yuan; a premonition as it were. During the civil war of 1930, Sung was withdrawn to command an army of the Kuominchun, and Hsiao once more rose to political adviser. Then came the brilliant stroke which made his presence in North China absolutely indispensable. With the collapse of Feng Yu-hsiang's rebellion, Hsiao hurried to Nanking, wangled an interview with General Chiang Kai-shek himself, and glibly persuaded the generalissimo to forgive the rebellious 29th army, to incorporate it into the national forces, and to appoint Sung Cheh-yuan as military governor of Chahar. Thenceforth Sung and Hsiao spoke of each other affectionately as "Sword brothers".

During the next five years, 1930-35, Hsiao Cheng-ying moved about quietly in North China political circles, affiliating himself with the Chahar provincial government and the Peiping Branch Political council. In Peiping and Tientsin he has a wide circle of cronies among active and retired officials, military officers, Japanese representatives, and leading business men.

This was his position in 1935 when the Sung-Hsiao clique was driven from Chahar, and orphaned, as it were, by the Nanking government. Hsiao conducted all the necessary negotiations with Nanking for the establishment of the Hopei-Chahar council, playing off the Japanese against Nanking, and *vice versa*, always aiming at the maximum personal benefit for Sung-Hsiao, Incorporated. The bidding and out-bidding is still going on; every conversation with the Japanese army concerning the East Hopei autonomous government has been conducted by Hsiao Cheng ying.

But to return to the original question: why did Hsiao give his magnificent "birthday party" to which every influential political clique in the Far East added its blessing? There are several possible reasons. He may be intoxicated with his own ego, inflated with the delights of being recognized as a man of the hour. The suggestion is shallow, and hardly befits a man whose worst enemies would not call him a fool.

Perhaps the celebration was a form of political insurance, a scheme for collecting winter clothing in hot weather to offset any change of seasons. For nine months Hsiao has been the hub about which all Chinese and Japanese interests in North China revolved, but not once has there been a signal event which would focus the eyes of the whole nation upon Hsiao Cheng-ying. Droves of petty representatives have scurried from the tent of this and that general to visit the leaders of the North, but this has not added much to the personal prestige of Mayor Hsiao. This celebration, then, may have served as his "debut" in the ranks of the holier than thou.

This theory seems substantial in the light of the unusual gift from China's foremost group of mediators, Wang Chung-hui and the Canton jurists. A jade screen inset with jewels and valued at $30,000, a far finer gift than any Japanese general ever bestowed upon Pu Yi.

This much is plain. If a $30,000 gift means anything, it indicates first, that Canton is convinced Hsiao Cheng-ying has not gone over, "but is still an opportunist waiting for a better day"; and second, the time is approaching for a showdown in the North China government, whether it will go Japanese or Nanking, and the Canton mediators leave no room to doubt their willingness to support the autonomists in a reversal of policy. In the words of the Japanese military spokesman at Peiping (*Reuter*, March 20) "All is not well in North China."

Peiping, March 20, 1936.

F. A. Larsen Makes Appeal for Destitute Mongolians

F. A. Larsen, "Duke of Mongolia," in a letter written to the *North China Daily News* from Kalgan, March 25, stated that he had just returned from a trip to Mongolia, where he found that thousands of poor Mongols are in desperate straits and there is no one to help them in Mongolia for they all need help and cannot help each other. During a life of over 40 years in Mongolia he had never seen such terrible conditions as exist to-day. Mr. Larsen appealed for the opening of a subscription list for money to assist these unfortunate people in making a new start. Mr. Larsen said farther: The Mongols are used to hardship and are hard working. If they can be started again with a few sheep and cattle they will set to work to rebuild their modest fortunes but if no help is forthcoming there will be much distress and suffering and many of them will die unnecessarily. If through the medium of your paper you could issue an appeal for funds for this humane purpose I can promise that a representative committee of foreigners living in Mongolia and prominent Mongols will be formed to use such subscriptions to the best advantage and in the widest area.

Senators Borah and Lewis Flay European Governments Who Defaulted on Debts

Foreign governments which have defaulted their war debts were denounced by two United States Senators Mar. 27. Senator William E. Borah, former chairman of the Senate Foreign Relations Committee and a candidate for the Republican presidential nomination, said the defaulting governments apparently have no intention of ever paying their debts and declared there was no moral difference between their refusal to pay and the repudiation of the Versailles Treaty and League of Nations Covenant by Germany and Italy. Senator James Hamilton Lewis, Illinois Democrat, ridiculed British contentions that they were unable to pay and called attention to the fact that England is "boasting to the world that she has recovered her indebtedness, balanced her budget, reduced taxes and has a great surplus in the treasury".

Ricsha Owners Withdraw Vehicles from Streets, Refuse to Lower Rentals

Thirty thousand ricsha pullers were thrown out of work this week as the result of the owners of the vehicles refusing to comply with an order of the Shahghai Municipal Council to reduce the hire for same by eight cents per day, and instead withdrawing them from the street. The idle coolies became boisterous and in some instances broke into the ricsha warehouses and puilled the ricshas to the police station. Arrangements are being made by the Municipality to give a small food allowance to the coolies pending settlement of the trouble. Public sentiment is decidedly against the ricsha owners.

Police Withdraw from Fuhtan Campus ---Spring Vacation Advanced

The student trouble in Fuhtan University calmed down somewhat Mar. 26 when policemen stationed in and outside the campus were withdrawn by order of the City Government authorities. The police were withdrawn following lengthy conversations between the City Government authorities and Dr. T. H. Lee, President, and T. Y. Ching, Dean, of the University, during which the latter undertook to hand over to the police those students who fired from inside the campus and also to hand over to the police those students who were sought by the authorities, dissolve the so-called Students' National Salvation Association of the University; recall the two rifles and over three hundred bayonets which are used for military training purposes and which subsequently were found to be missing from their depository; immediately resume classes; and guarantee the safe return to school of good students who were accused by communist elements to be traitors."

The Spring Vacation at Futhan was put forward two days with a view to preventing any further trouble. It is hoped, however, that classes will be resumed on Wednesday of next week.

"Shanghai Mainichi" Discusses Fuhtan University Incident

Commenting on the recent conflict of the Fuhtan students with the police, the *Shanghai Mainichi* said that Japanese circles are vitally interested in the measures to be taken by the Chinese authorities for the settlement of the case, because the future development of the situation will affect considerably the security of Greater Shanghai.

"The whole intelligentsia of China has been confused," the paper adds. "Most of them are caught by the literature in favor of 'resistance'. This has been reflected in the student movement. This tendency is especially clear when the Sino-Soviet Cultural Association was organized. There are complicated connections between the Third Party and the Third International, both of which participated in the movement in China. Moreover, the Southwestern authorities also are utilizing the movement to their own interests."

Japanese Journal Urges Chinese Educational Reforms

The Nanking Government's allegd failure to formulate deemite educational policies and to enforce school discipline were blamed by the *Shanghai Nippo* Mar. 13. "Although the incident broke out in Fuhtan," the journal said, "the problem has much wider significance. Other universities also afford suitable ground for clashes between rightist and leftist elements. Educational reforms are necessary, and they must begin with primary schools."

The Anti-Japanese education in China has been conducted by sentimental officials and educationalists," the journal declared. "If China really desires to supply students with information on Sino-Japanese relations, the youths must be shown the interrelationships between the two countries, historical, geographical and cultural."

Students in Peiping Released

On March 26, a number of students arrested in connection with the patriotic movements in North China were released by the authorities. Of these students, twenty-four are students of the Northeastern University. A great demonstration was staged by the students of the Northeastern University in the afternoon to welcome the return of these arrested students.

Vocational Schools Gain Popularity in China

A *Central News* report from Nanking says that vocational education, a recent innovation in the Chinese educational system, is rapidly making headway.

Statistics gathered by the Ministry of Education for the 23rd calendar year (1934) reveal that there were 372 agricultural, industrial, commercial, home economics and other vocational schools in China in that year. These institutions were attended by 38,355 students and required an operating budget of $6,275,068. Altogether, 1,376 classes were opened.

National Educational Films Association Holds Third Annual Meeting

The third annual meeting of the Shanghai Branch of the National Educational Films Association (under the Ministry of Education) was held under the chairmanship of Pan Kung-chan, Commissioner of Education, in Shanghai Mar. 28.

Several resolutions were adopted, one of them being that the local Municipal Bureau of Education is to be requested to instruct the various schools under its direct jurisdiction to earmark special funds in their budgets for the wider use of educational films. The various Chinese motion-picture studios are to be requested to make more educational films.

The new Boards of Directors and Supervisors were elected as follows: Directors: Regular Members (7): Chiang Chien-pai, Chou Chien-yun, Tung Hsing-pai, Chen Hao-chin, Usang J. Ly, Lu Shih-pai, and Yang Min-shih. Reserve Members (4): Chang Shih-chuan, Tao Po-sun, Chen Sung-chun, and Kao Tien-chi.

Supervisors: Regular Members (5): Pan Kung-chan, Chen Pai, Wu Kai-hsien, Hsu Kung-mei and Ouyang Yu-chin. Reserve Members (3): Shao Tsui-weng, Shen Chun-ju, and Po Wan-tsang.

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TAKE

DR WILLIAMS' PINK PILLS

Young girls often outgrow their strength, and excessive demands are made on the blood stream, which becomes impoverished and incapable of supplying the nourishment required to keep the organs active and healthy. As a result many a girl enters womanhood in an anaemic condition. If this is allowed to continue a general breakdown in health is almost sure to follow.

Wise mothers watch their daughters during these critical years for any symptoms of anaemia—to see whether they tire easily, are pale, nervous, irritable, despondent—and at the first signs prescribe a course of Dr. Williams' Pink Pills, for they know that these pills have a splendid tonic effect because of their power to create abundant, new, rich, red blood, so necessary for good health.

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Hupeh Launches Anti-Red, Anti-Opium, & Anti-Graft Program

(BY THE REVIEW'S CORRESPONDENT AT HANKOW)

"NEW brooms sweep best" according to an old proverb, and the new governor of Hupeh is trying to prove that it is true in his case. General Yang Yun-tai has vigorously applied himself to the task of fighting his three most fearful enemies, the Reds, opium, and floods. There are hundreds of new problems arising each day, but some new plan has been devised and orders are being issued daily to cope with the situation.

Reds in Eastern Hupeh Defeated

Following the collapse of the Red organization in Kiangsi in 1934, some of the remnant troops sought refuge in the mountain areas where Kiangsi, Hupeh and Hunan provinces converge. Finding this zone too crowded some of the Red bands crossed the Yangtze into the eastern part of Hupeh province. Here they have been roaming around harassing the larger centers and looting the smaller towns and villages.

In a determined effort to get rid of these pestiferous Red bandit, the Hupeh Provincial Government has ordered Col. Ting Ping-chuan, Commander of the Peace Preservation Corps, to lead the 7th Brigade of the Peace Preservation Corps against the marauders, in cooperation with General Wei Li-huang, Commander-in-Chief of the Bandit Suppression Armies for the Honan, Hupeh, and Anhwei Borders.

The most recent victories for the government forces were reported in the Hankow press on March 29. It transpires that Col. Ting Ping chuan launched a surprise attack on the invading Red forces on Mar. 19, and defeated them at White Sand Peak, about five li north of Linwenhsin village, capturing many rifles and much ammunition, and killing more than one hundred bandits. One of the regimental commanders, Huang Li wu, being wounded in the encounter, was brought back to Hsieh-ho Hospital for treatment.

At Koochokow, eastern Hupeh, on the 14th of March, after a four-hour pitched battle, the Reds retreated, leaving more than one hundred dead on the field, besides arms and ammunition. They are now hiding in the fastnesses of the Toyun and Louhu mountains. One of the captives reported that the Red leader, Kao Ching-ting, later succumbed to serious wounds received during the fighting. The new chief of the bandits is a man by the name of Fang Teh-kao, who is reported to have reorganized the bandits into three divisions and to have retired to the mountains on the Hupeh-Anhwei border.

Although these may be reckoned as minor victories, a major one is reported from Tayukow, eastern Hupeh, when more than 800 bandits were repulsed, although they were well armed and fought desperately. This group has retreated toward the Heng-kang mountain. Confirmation of these reports have been received by the government bureaus in Wuchang. The attitude of the provincial officials seems to be firmer than ever. "We have got to get rid of these outlaws now".

Gen. Ho Cheng-chun Back from Northern Hupeh Trip

Back from a fortnight's trip along the northern border of Hupeh province, General Ho Cheng-chun, Pacification Commissioner of Hupeh, returned to Hankow on March 23. While away he had inducted General Chang Kang as Commander of the 82nd Division. The general reported that the troops under Gen. Chang were well trained and showed good discipline. The damage done by the floods of last summer in those areas was having a distressing effect on the people along the rivers in northwestern Hupeh. Relief work was being done by Relief organizations but nothing comparable to the needs of the famished sufferers.

Opium Suppression in Hupeh Urged by Gov. Yang

For decades Hupeh has been under the scourge of the opium traffic. The new governor is demanding that opium be outlawed in Hupeh province. The Central Opium Suppression Commission is investigating the problem and is devising ways and means of overcoming this dread evil. The province has been divided into 23 regions. The preliminary reports give the following statistics for Hupeh:

Dens forcibly closed.....	5,568
Opium addicts registered.....	158,400
Persons cured.....	7,500

Of the 70 districts in Hupeh, 63 have already sent in their report on the opium situation to the provincial authorities at Wuchang.

An opium suppression conference will be called in the near future to bring the matter to a head and to promulgate methods for the liquidation of this great liability.

Anti-Graft Program Launched

Trying to determine the cause of so much inefficiency in the government service in Hupeh province, Gen. Yang Yun-tai is emulating the example of his chief, the Generalissimo, and starting a determined campaign against graft and squeeze. There is no doubt but that this is a very true evaluation of the situation. However, it will take much courage to eliminate graft, especially when older officials are in the majority and many of them are accustomed to growing rich at the public expense. However, it is refreshing to see that some of the younger officials have back-bone enough to call a spade a spade. If graft were to disappear from the Chinese scene, it would mean that a change of heart had taken place. That in turn would signify the dawn of a new day for the whole people. More power to the anti-grafters. May they always seek the common weal.

Hankow, March 30, 1936.

Fukien "Autonomous" Activities; The So-Called "Hwa Nan Kuo"

BY THE REVIEW'S FOOCHOW CORRESPONDENT

THOUGH discredited by responsible circles, rumors have persisted that the "autonomous" activities in South Fukien are making headway and that an "autonomous" government is in the making. True, there are some disturbers of peace who have spread rumors, hoping to fish in troubled waters; but it does not necessarily follow that all rumors are unfounded.

An Important Statement

On March 16, there appeared in *Wah Tsz Yat Pao*, a famous Hongkong newspaper, an important statement to the following effect:

> The "autonomous" movement in Fukien has, in all probability, come to maturity. Fukien authorities have taken due precautionary measures. The problem confronting Fukien is not a problem of local interest; it is rather a problem of nationwide interest.
>
> The participators of the "autonomous" movement are Chinese traitors and Formosan ronin. In Amoy alone, there are no less than ten semi-secret organizations in connection with "autonomous" activities; namely, Pan-Asianism Alliance, Association for Betterment of Sino-Japanese Friendship, Nine Nine Society, Fukien-Kulanyu Club, Association for Promotion of Autonomy, Fukien Autonomous Forces, etc. These organizations are directed and financed by a certain source. Their activities are overt but the local authorities are helpless. Very recently, the representatives of the aforesaid organizations have held two joint conferences in Kulanyu. In the first conference, the persons present are seventeen in all. One of them is a Formosan surnamed Lin; five others are the representatives of the militia in Changchow and Chuanchow; the rest are the notorious traitors. Several resolutions have been made: that a unified organization be formed, that a Fukien Autonomous Council be organized, that three committees be appointed to supervise political, military and financial affairs, that Liu, Lin, Chen, Hwang and Li be held responsible for drafting the regulations of the Council. In the second conference, those present are thirty in number. A representative of a certain source also participated in the conference. Two important resolutions have been passed: that the members of the Autonomous Council should be twenty-one and a Japanese military adviser should be employed; and that the Association for Promotion of Autonomy continue functioning as a nucleus but the new members, before admitted, should take an oath at midnight in the office of the Association.
>
> Since these two conferences, more than two or three hundred new members have been admitted into the "autonomous" organization. Munitions have been purchased, in large quantities, in Formosa and conveyed to Amoy.

A Reference to "Hwa Nan Kuo"

On March 5, Yeh Jui-ting, a famous Chinese doctor in Amoy and proprietor of Tien Teh Tang Medicine Shop, was kidnapped when he reached a would-be patient's house, that was really an empty house temporarily occupied by several hugs. The thugs stuffed his mouth with cotton, bound him hand and foot, put him in a large box, conveyed him to another empty house, and sent a letter to Yeh's family, demanding a ransom of six thousand dollars. As Yeh Jui-ting was an opium addict and a man of very weak constitution, he could not endure he harsh reatment and he died ere long. Hoping to kill two birds with one stone, the thugs, besides burying Yeh's corpse (which was discovered afterwards) in the ground of the empty house, sent two successive letters to Yeh's family—one from Haitien, a district near Amoy, and the other from Amoy.

The first letter reads, in part, as follows:

> We have asked you to keep our actions secret but you have not done so. You should now give us an additional fine of four thousand dollars. Come promptly to Haitien and give the money to us, otherwise we shall convey Yeh Jui-ting to the headquarters of Commander Hwang Kuo-tai (the alleged commander of "Hwa Nan Kuo" forces). Then the ransom will be eightfold or tenfold.

The second letter runs thus:

> For convience sake, we have sent our special representative to Amoy. You may give the money directly to him . . . . Don't come to Haitien right now. We are so busily

engaged in activities concerning establishment of "Hwa Nan Kuo" that we cannot give you an interview.

The kidnapping of Yeh Jui-ting does not concern us so much as the reference in the thugs' letters to "Hwa Nan Kuo". Very likely, the "autonomous" activities are partly financed from exactions of the rich people kidnapped.

Secret and Semi-secret Bodies in Chuanchow

In Chuanchow, there is a secret body connected with seditionary activities. The organ is located at Fung K'o, a mountainous and secluded place. Many doctors of a certain nationality have opened medicine shops in little towns, with the avowed object of helping the poor people. These shops, in reality, are the intelligence organs.

In Chuanchow, there also exists a smuggling organ on a large scale; it goes by the name of Nanchang Company. Heretofore, there have been thirty-five smuggling organs along the coastal places of Huian, Nanan, and Chuanchow; but as a result of government suppression, practically all of the organs except the Nanchang Company have disappeared. In the Company, a radio set is installed, receiving and despatching messages. A considerable quantity of munitions has been bought for protective purposes.

The bandits of Chang Tai Li, Putien, have formed an organization entitled Chung-Hwa-Chiu-Min-Fu-Kuo-Chun, meaning Chinese forces for salvation of people and protection of country. The ringleaders are Lai Kuang-hsi and Cheng Chin-Chao. Curiously enough, the organization is modelled on the military organization of the Tsing Dynasty. Affiliated with the bogus "autonomous" association, this bandit organization is a menacing influence.

An Illegitimate Organization in Foochow

In Foochow, an organization known as Chinese-Yuong-Men-National-Salvation-Iron-Blood-Corps, is said to have sprung into existence. Secret attempts have been made to persuade the students to join the organization. School authorities in Foochow have been asked by the Provincial Tangpu to take steps in dissuading the students from siding with reactionaries.

March 31, 1936.

Hitlerites Win in Germany in "Alice in Wonderland" Election

An election, which *Reuter* termed an "Alice in Wonderland," took place in Germany, Sunday Mar. 29. The official election figures stated that out of an electorate of 45,408,000, 44,932,000 exercised their prerogatives and of the latter 44,389,000 voted in support of Hitler.

In Shanghai the local German community cast its vote at the German school. The vote here was informal and could not be counted in the official returns. The result showed that the Germans here, like their fellow countrymen at home, voted solidly to support Hitler.

Three-Fourths of America's Armament Output in January Came to China

Fighting planes, machine guns, rifles, pistols, grenades, bombs and aircraft engines to the value of U.S.$3,043,450 were exported from the United States to China during the month of January, 1936. This was out of a total of U.S.$4,217,814 worth of arms sold to all nations together by American arms makers during the month. China paid U.S.$2,791,000 for fighting planes; U.S.$125,500 for machine guns, rifles and pistols; U.S.$86,950 for grenades and bombs; and U.S.$40,000 for aircraft engines.

Italians Advance Rapidly in Ethiopia—Destroy Harar with Aerial Bombs

At last reports the Italians were sweeping everything before them in Ethiopia. During the last days of March the city of Harar was destroyed by aerial bombs. Dacua, eight miles south of Debarech, was taken without resistance. The Italians were within 50 miles of Lake Tsana, March 30.

Japanese Purchase Foodstuffs at Lienyungkong

Japanese agents are stated to be purchasing large quantities of foodstuffs from North Kiangsu and Anhwei provinces with specially organized offices in Lienyungkong (harbor), and as a result forces have greatly increased.

Japanese Organize New Zinc Factory at Shanghai

The *Shanghai Nippo* says that with the import of large quantities of Japanese zinc products of the Nakayama Steel Plant, great anxiety is being felt by the zinc merchants in Shanghai. About 60 per cent of the total zinc plates consumed by the local market (the total amount various from 160,000 to 400,000 pieces each month is being supplied by this Japanese factory. In order to develop its business for the control of the local market, the Japanese are organizing a new factory in Shanghai with a capital of $200,000 for the manufacture of zinc plates.

In the United States Court for China

INEZ JOSEPHINE BREMER, Plaintiff, vs. ROBERT THOMAS BREMER Defendant.	Cause No. 4035 Civil No. 1918 ORDER Filed at Shanghai, China, March 13, 1936 William T. Collins, Clerk. L. T. Kenake, Asst. Clerk.

The object of this suit is an action for divorce.

WHEREAS, plaintiff herein, by her attorneys, has this 4th day of March, 1936, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 12th day of March, 1936, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 4th day of March, 1936, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has he resided therein since six months last, and that defendant's last known address was Tientsin, but he was seen in Shanghai when he stated he was leaving China for America.

NOW, THEREFORE, it is this 13th day of March, 1936, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review*, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 4th day of April, 1936, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China,

this 13th day of March, 1936.

MILTON J. HELMICK,

Judge.

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THE CHINA WEEKLY REVIEW

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While Peiping Banquets...

BY C. Y. HSIEH

In the gay and festive atmosphere of Peiping where a prominent local official had just spent no less than a quarter of a million dollars for a brilliant celebration of his parents' birthday anniversaries, recently stalked a tragedy of the first magnitude. It claimed the life of an young student, but this fact alone deplorable as it was might not be of any great consequence. It was rather the inhuman circumstances under which the youth lost his life and, further, the lack of public protest against them that formed a standing indictment of the state of things in North China.

Kuo Ching, the victim, who was a 17-year old student in a middle school in Peiping, had been arrested along with many others in the recent series of raids conducted by military police on schools and universities there for alleged communist elements. His arrest was unjustifiable, as there was no evidence of a prejudicial nature against him. Kuo's only guilt, if guilt it be, was merely participation in the recent student demonstrations. But as a sequence of his long detention without being given a trial either to convict or to free him, Kuo became seriously ill in the detention house. It was only then that the military police communicated with his school authorities with a view to his removal outside, but before this was done he died a victim of high-handed "justice".

Kuo Ching's death has brought sharply to the forefront a number of vital issues. Of prime importance is the question of legal basis for his arrest which was carried out under a special law penalizing the breach of public peace and order promulgated sometime ago. Put in another form, this question resolves itself into the justifiability or no of the existence of many special criminal laws alongside the regular criminal code. These is no doubt that these laws being more or less summary and martial, form a serious menace to some of the fundamental rights of the people, although it is debatable if the time has come for their total abolition. It is true that the raison d'etre for legislation of this sort, first undertaken when the National Government was not yet firmly established, has largely disappeared today; but then new justification has been sought in exigencies vaguely referred to as the national crisis. Even though any decision in this matter is invariably reached through considerations of practical policy rather than through the weighing of theoretical merits of the case, reforms need not be discouraged. As is very often the case, it is not so much the law as its administration which matters. For this reason it is to be hoped that the Government may do better than merely make a special law to meet an emergency and leave it to be enforced by parties wholly ignorant of the reasons which called it into being. At least arrangements should be made to take its enforcement from the hands of military authorities and entrust it to the regular legal machinery. It is entirely feasible that while preserving the essential summary and martial nature of these laws, the Government may devise ways and means to check their abuses and the consequent tampering with justice.

From a political point of view, the victimization of an inoffensive school boy was certainly not calculated to stabilize a situation already fraught with much centrifugal strife. To out and out communists it would furnish excellent material for seditious propaganda and activities against the Government. And to young men and women who are politically conscious but not necessarily partisan, it would come as a revelation of hard political realities and an incentive to extremism. The folly of high-handed suppression of public sentiments may thus be greatly heightened by gross abuses of the means of suppression.

But, most patent of all, the fate of Kuo Ching is a serious reflection on the sense of responsibility of the educational authorities concerned. Mindful only of mercenary ends, these people have generally taken little pains to advance the true welfare of those who form their trust. Under normal circumstances the principals and teachers have regarded it no part of their business to guide the thoughts and behavior of their pupils along the right direction. Once any young man or woman gets into trouble, they would be the first o wash their hands clear of the affair. Such is the ethics of present-day educators! If, in the case before us, Kuo Ching was an innocent, carefree boy of 17 still unsusceptible to subversive influences, as his schoolmates and teachers agreed in representing him, then the failure of the school authorities to secure his release following his arrest and especially after he was known to have contracted a serious illness in the detention house was an inexcusable betrayal of a public trust. From now on parents who send their children to school will needs ponder over an immense risk in turning the guidance of their young from themselves to those who have shown little if any solicitude for the safety and welfare of their charge.

The sacrifice of the life of an innocent schoolboy on the altar of indiscriminate justice is regrettable enough by itself. Since it has further revealed the breakdown of part of our legal, political and educational machinery, its seriousness is all the more emphasized. Curious it is that a case of such far-reaching importance has not aroused public opinion and prompted public protest to a point and in a strength it deserved. Is it that we have lost our inherent sense of justice, or is it that political wisdom has taught us blissful silence? Whatever it is, it does not redound to the credit of the National Government, and the sooner Nanking moves to rectify the several abuses the better.

March 31, 1936.

League Opium Board Head Says Fight Against Drugs Is a Failure

The present system of fighting the illicit drug traffic has broken down entirely, according to a report made on the work of the League of Nations' Permanent Central Opium Board by L. A. Lyall, the President. Mr. Lyall bases his contention on comparison between the infinitesimal seizures of drugs in North America and the total number of drug addicts in the United States and Canada, officially stated to be 8,000 and 120,000 respectively. He points out that drug addicts are not confined to these two countries, and declares it is an inevitable conclusion that clandestine factories producing many tons of drugs annually exist somewhere. He admits that smuggling cannot be stopped without measures calculated to choke legitimate trade.

There are sufficient stocks of opium in the Netherlands East Indies to last 46 years, he states, and the Netherlands Government has been urged to diminish this quantity as soon as possible. Mr. Lyall draws attention to a recent declaration by General Chiang Kai-shek, President of the Executive Yuan of the Nanking Government, that the Chinese authorities have a measure of responsibility for checking opium smoking among Chinese outside of China, and points out that, if stocks continue to exist, it will be difficult for proper collaboration between China and those countries where Chinese workmen smoke opium.

Hupei Pushes on Anti-Opium Drive

Intensifying the anti-opium drive the Hupeh Provincial Government, Mar. 26, issued a circular order to all districts instructing that all opium smokers who fail to duly register with the proper authorities will be arrested and punished. A recent survey showed that 150,000 opium addicts have already registered themselves with the Provincial Government.

Over 80,000 out of the 300,000 registered opium addicts in Kiangsu province have been cured of their vice, it was announced by the Provincial Opium-Suppression Commission in Chinkiang, Mar. 27.

Heavy Sentences Imposed in Shanghai Court on Opium Smokers and Drug Traffickers

Eleven men and women, convicted on charges of smoking, selling or manufacturing opium and its substitutes, were sentenced to terms of imprisonment ranging from six months to 13 years under the New Drug Laws, in the First Special District Court in Shanghai, Mar. 30. Several of the addicts were ordered to be sent to the Anti-Opium Hospital for treatment before going to prison to serve their sentences.

The heaviest term was imposed upon Yang Tih-kan, who was convicted of successively manufacturing narcotics.

One Chinese, arrested in a house at 744 Canton Road, on the morning of March 25, was sentenced to five years' imprisonment for smoking opium substitutes. Judge Yang, in addition, deprived him of civil rights for 10 years. A female arrested on the premises and found to be in possession of 38 packets of morphine and two packets of cocaine, was fined $400.

A man, arrested on Feb. 18, in Lane 420, 5 Canton Road, was sent to prison for six years and deprived of civil rights for the same period for aiding and abetting in selling heroin. A woman, who was smoking heroin on the premises, was sentenced to 18 months.

Lincoln Zephyr Cars Are Displayed by Bills Motors

The latest production of the Ford Motor Co.—the Lincoln-Zephyr—is now on display at Bills Motors, corner Avenue Foch and Route Cardinal Mercier, Shanghai. V. J. Crowe, manager of the Ford Motor Co., Exports, Inc., with offices in the Hamilton House, in a recent circular latter pointed out that the new car is born in the Lincoln tradition, has a twelve-cylinder engine of the V-type which develops 110 horsepower, a wheelbase of 122 inches and has a springbase of 122 inches. The body is unique in the automotive world. Bills Motors are also displaying the new Ford V-8 car for 1936, and many interesting mechanical exhibits of interest to even the most non-technical layman.

"Ta Kung Pao" of Tientsin Starts Edition in Shanghai

The *Ta Kung Pao*, which since its foundation in 1902 in Tientsin, has forged to the front as one of the most influential Chinese daily newspapers in China, on April 1 commenced he printing of an edition in Shanghai, the Tientsin edition also being continued. Hu Lin, who is the managing director for both the Shanghai and Tientsin editions, has been with the paper since 1916. Among the distinctive features of the *Ta Kung Pao* are: Its main revenue is from subscriptions, not from advertisements; it maintains the highest standards of journalism; and aims at securing a nation-wide clientele, rather than merely a local one.

Who's Who in China

Lin Yu-sung, Government official; born at Mouming, Kwangtung, 1891; was graduated from the Kwangtung Provincial College and later studied law at the Law School of Peking University; principal of the Chung-Shih High School at Kaochow, Kwangtung; passed the government examination for district magistrates and was appointed acting magistrate of Luchuan, Kwangsi; director of the Wine and Tobacco Monopoly Bureau at Tsenglung, Kwangtung; chief secretary in the Offices of the Taoyin of Kao-Lai and Yueh-Hai (Kwangtung) Circuits; chief secretary in the Office of the Governor of Kwangtung; magistrate of Taishan, Hsiangshan and Tungwan districts, Kwangtung; director of the Consolidated Tax Bureau in Tai-Wan District, Kiangsi; counsellor to the Headquarters of the Inspector-General of Chihli, Shantung and Honan; advisor to the Military Governor of Kiangsi; advist to the Defense Commissioner of Kiukiang; secretary to the Peiping-Hankow Railway Administration; secretary in the Headquarters of the Commander-in-Chief of the National Army, Navy and Air Force; secretary in the Smuggling Prevention Bureau of the Ministry of Finance; magistrate of Pingloh district, Kwangsi; now commissioner of the 5th Administrative Area of Anhwei Province and concurrently commander of the Peace Preservation Corps of the Area; address: c/o Anhwei Provincial Government, Anking, Anhwei.

林友松

Lin Yu-sung

林友松，年四十五歲，廣東茂名縣人，卒業於廣東高等學校，並在國立北京大學法科肄業，曾任廣東高州崇實中學校校長，民國三年以第三屆縣知事考試及格分發廣西代理廣西陸川縣知事，廣東東增龍從烟酒專賣局局長，高雷粵海各道尹公署秘書長，廣東省長公署秘書主任，台山香山東莞等縣知事國務院簡任職存記，江西泰萬等關統稅局局長，直魯豫巡閱使公署參議，江西督軍公署顧問，九江鎮守使署顧問，平漢鐵路管理局秘書，海陸空軍總司令部憲警教導隊上校編譯官，兼秘書，財政部緝私處秘書，廣西訓政區平樂縣縣長，廣東西北區農林講習所所長，現任安徽省第五區行政督察專員，兼保安司令，通信處 安徽安慶，安徽省政府。

Furniture and Porcelain, Instead of Ghosts, Found in Haunted Castle

The *Central News* Agency reports from Peiping that for 200 years the Kun Ning Kung, residential palace of many an empress of different dynasties, had remained a jinx. Nobody dared open its door because of the popular belief that the imperial manor house was haunted. It was only recently that the riddle was solved. This was done when the curiosity of the delegates commissioned by the Government to inspect the treasures of the palaces was aroused to this closely-barred chamber, for which no records were available. After consulting the management of the Palace Museum, the government agents decided to open it to ascertain what was inside. Instead of finding ghosts they, much to their amazement, discovered beautifully-carved and red-painted furniture and fine porcelain of great historical value locked up there since the end of the Ming Dynasty.

After the dust was brushed off, the furniture was found to have scorch marks on it. Curio experts ascertained that the furniture and porcelain are both of the Ming Dynasty. Various explanations were given for the scorch marks on the furniture, one of which seems to gain ground. The furniture, it is believed, was salvaged from a fire in the palace set by Li Tzu-chen, a notorious bandit chieftain at the end of the Ming Dynasty. In the 16th year (1643) of the reign of Emperor Chung Chen, the last sovereign of the Ming Dynasty, Li marched his bandit troops from Shensi into Peking. Emperor Chung Chen committed suicide by hanging himself on a tree on the Coal Hill situated north of the Forbidden City.

The next year (1644) the Manchus drove Li Tze-chen away and set up the Ching Empire. Before Li retreated from Peking, he set fire to the imperial palace. The scorched furniture together with the porcelain are believed to have been placed in the chamber and had remained locked up since then.

the United States Court for China

ALICE G. DRAPER, Plaintiff,
vs.
NAY MARION DRAPER Defendant

Cause No. 4042
Civil No. 1921
ORDER
Filed at Shanghai, China, March 21, 1936
William T. Collins, Clerk.
L. T. Kenake, Asst. Clerk.

The object of this suit is an action for divorce.

WHEREAS, plaintiff herein, by her attorneys, has this 18th day of March, 1936, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 21st day of March, 1936, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 18th day of March, 1936, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has he resided therein since one year, and that defendant's last known address was c/o TEXAS COMPANY, Saigon, Indo China.

NOW, THEREFORE, it is this 21st day of March, 1936, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review*, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 11th day of April, 1936, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China,
this 21st day of March, 1936.

MILTON J. HELMICK,
Judge.

THE TANAKA MEMORIAL

Much debated secret document outlining Japan's imperial policy of conquest—supposedly presented to the Emperor of Japan by Premier Tanaka on July 25, 1927.

Although officially repudiated, Japan has nevertheless followed the Memorial's recommendations since 1931.

Preparing for War with U. S. A.?

The Tanaka Memorial should be read by all students of the Far Eastern Question. Send for a copy, the price is only 10-cents, with an additional 5-cents for postage.

Address orders to

THE CHINA WEEKLY REVIEW

160 Avenue Edward VII
Shanghai.

Men and Events

Chu Cheng, president of the Judicial Yuan, departed for Changsha this week to inspect judicial conditions in Hunan province.

Prof. Franklin Ho, head of the Economic Research School of Nankai University, Tientsin, arrived in Chungking this week on an investigation tour in Szechuen.

The Executive Yuan Mar. 31 appointed Dr. Victor Hoo, Chinese Minister to Switzerland, as China's delegate to the first Anti-Opium Conference of the League of Nations.

General Yang Hu, until recently Commander of local Peace Preservation Corps, formally assumed his new office as Garrison Commander of the Shanghai-Woosung Area March 28.

Captain P. I. Tirbak, former Harbor Master at Tientsin, assumed the post of Harbor Master in Shangnai, April 1, replacing Captain E. B. Green, who has been transferred to Tientsin.

Increasing prices for rice are reported from many provinces. The Anhwei provincial government has issued an embargo on export. Shensi province is forbidding the export of all foodstuffs.

Dr. T. Z. Koo, secretary of the Work Committee of the Y.M.C.A. and World Student Movement in Geneva, gave a series of lectures on Christian and student topics in Nanking this week.

In an S.O.S. signal, picked up at on the morning of Mar. 31 by the Tsunojima Radio Station in Kyushu, the Chinese steamer *Pingan* reported that it was foundering, after going aground in the Gulf of Tongking.

A recent Nanking message stated that the manufacture and sale of "joss money", in imitation of legal tender notes (*Fa Pi*), is to be suppressed by order of the Ministry of Interior.

The erection of the Party History Museum, located within the grounds of the Ming Tombs near Nanking is expected to be completed next month. The cornerstone of the building wa laid on March 29 last year.

Miss Delia Scott and Peter Tyrwhitt were married in Peiping Mar. 23, the Rev. O. A. Griffiths officiating. The bride (the daughter of Mr. and Mrs. Norman Scott) was given away by the American Ambassador, Nelson T. Johnson.

The College of Agriculture of the National Central University is planning to establish a veterinary medicine department. The university is understood to have asked various provincial and municipal governments for suggestions regarding the plan.

A strike was declared Mar. 30 by the workers of the Kailan Mining Administration in Tangshan, northeastern Hopei, to back up their demand for an increase of wages. In order to prevent any untoward incident, martial law was proclaimed.

Lin Sen, Chairman of the National Government, laid the corner stone of the $240,000 new building of the Central Supervisory Committee at Nanking in a simple ceremony Mar. 29. More than 200 high Government officials and members of the C.S.C. attended the meeting.

The Lanchow (Kansu province) authorities March 26 closed down all unlicensed houses of ill fame, and arrested 20 persons. Among the prostitutes were found four girl students; the majority of the pleasure seekers were government officials and army officers.

Mr. Horiuchi, First Secretary of the Japanese Embassy in Shanghai, will most likely be promoted to the post of Vice-minister of Foreign Affairs in the event that Mr. Arita becomes head of the Guimusho, according to information from diplomatic quarters in Nanking.

Miss Anna May Wong, famous Chinese American movie star, returned to Shanghai Mar. 26 from a visit to South China. Miss Wong denied current reports that she will enter motion picture work in China, saying that she is returning to America after her sightseeing tour.

Wen-ssu King, Chinese Minister to the Netherlands, accompanied by Mrs. King, will leave for his native town, Pinghu, shortly to visit his aged father. He will stay in Pinghu for two weeks before returning here en route to other citiies on a sight-seeing trip.

As a part of its retrenchment program, the Ministry of Communications has ordered the abolition of the Bureau of International Telegraphs at Shanghai as from April 1. The affairs of the Bureau, it is understood, will be transferred to the Chinese Government Radio Administration and the Shanghai Telegraph Administration.

The Societe Astronomique de Chine will hold its 13th annual conference at Nanking on April 19. Two days earlier the Eclipse Observation Committee will hold its first annual meeting in the Capital, when delegates will be chosen to proceed to Soviet Russia to observe this year's eclipse of the sun, which will occur on June 19.

All shipments of cotton seeds imported from abroad must, for the time being, be entered only at Shanghai, an order of the Ministry of Industry issued Mar. 31 stated. The Shanghai Testing Bureau has been instructed to examine such shipments before release so as to prevent consignments of inferior quality being admitted into the country.

According to information from the Palace Museum in Peiping, China's art treasures which were loaned to the London Exhibition at Burlington House and which are being returned, will again be exhibited in Shanghai upon their arrived from Europe. A similar exhibition will be made in Nanking after the closing of the exhibition in Shanghai, it is stated.

S. Nakamura, chief of the Maintenance Section of the South Manchuria Railway Department, arrived in Shanghai this week to confer with S. Okano, architect, on the projected re-building of the company's wharf here. The present 140-metre wooden wharf, according to present plans, will be replaced with a reinforced concrete structure at an estimated cost of $300,000.

Fifteen hundred select goldfish, segregated in 130 wooden tubs, passed through Shanghai last week from Japan en route to a "farm" in France aboard a Japanese steamer. Gold fish, largely grown in Italy, have gone up in price greatly during the past few months owing to the fact that many of the Italian goldfish breeders have been sent to serve as soldiers in Africa.

The National Government Mar. 30 approved the appointment of Finn Koren as Norwegian Minister to China to succeed L. Aubert. Mr. Koren has been appointed concurrently Norwegian Minister to Siam and Japan. He is now on his way to Bangkok (from his former station in Portugal) to present his credentials, following which he will come to China to assume his new duties.

According to statistics compiled by the Central Overseas Affairs Commission at Nanking the Chinese population in Australia which totalled 29,906 in 1902, dropped to 20,775 in 1911, to 15,000 in 1930; and has now dropped to 13,000. The shrinking of the Chinese population in Australia has been caused by the enforcethent of oppressive measures by the Commonwealth Government.

Speaking at the seventh annual meeting of G. E. Marden & Co., Ltd., which is the principal transportation company in Shanghai both on water and on land, Mr. Marden, the Chairman among other things stated: "It is difficult even now when the optimistically inclined inform us that the worst is over, to discern signs of that free movement of cargo upon which the prosperiy of our company depends."

A. T. Steele, correspondent for the *Associated Press*, who has been stationed at Shanghai for sometime, departed this week for North China and Manchuria. He was accompanied by Mrs. Steele and according to present plans they will proceed to Japan and then to the United States. Prior to joining the *Associated Press*, Mr. Steele was connected with *The New York Times*. Mr. and Mrs. Steele are planning to return to China in the fall.

Dr. Chin Wen-ssu (Wunsz King), Minister to the Netherlands, who has returned on home leave, arrived in Nanking from Europe via Shanghai Mar. 24. He called on General Chang Chun, Minister of Foreign Affairs, and Hsu Mo, Political Vice-Minister of Foreign Affairs. In an interview he expressed the opinion that Europe would again settle down after an interlude of excitement just as it did when Germany announced her decision to rearm herself a year ago.

Sir Alexander Cadogan, the outgoing British Ambassador to China, arrived in Nanking from Peiping Mar. 29 and called on Lin Sen, chairman of the National Government, and other officials to say good-bye. He was the guest of honor at a farewell banquet Mar 31 given by Gen. Chang Chun, Minister of Foreign Affairs. On of April 1 the Sino-British Cultural Association acted as host to Sir Alexander. Sir Alexander came down to Shanghai later and will sail for England next week *via* Japan.

Shanghai U.S. Consulate General Is Removed to Development Building

The offices of the U. S. Consulate General and the U. S. Court for China, which for several years past have been located in the old Kalee premises in Kiangse Road in Shanghai, were removed this week to the recently completed Development Building at the corner of Foochow and Kiangse Roads, where three floors have been rented. On the fourth floor of the new building are located the Commercial, Notarial. Passport and Shipping, offices of the American Consulate; on the fifth floor are the Consul-General, the Executive Consul, Assistant to the Consul-General and the Land Office; on the sixth floor are the U.S. Court for China and the U.S. Treasury Attache.

National Salvation Association Found to Be Reactionary

Twelve women and eight men arrested as instigators of the strike of the Yu Foong Cotton Mill (Japanese) in Shanghai in February are reported to be promoters or officials of a "National Salvation Association" in the mill, organized by the workers. The *Shun Pao* stated that the police of the International Settlement discovered later that the Association is a reactionary one. It is reported that large quantities of reactionary literature were seized by the police during the arrest of these workers.

Alleged Anti-Japanese and Anti-Government Agitator Brought Up in Shanghai Court

Loh Kwen-yung, 25-year-old clerk, employed by a Japanese Insurance Company, who was arrested on Yangtzepoo Road last Sunday forenoon when a group of some 200 students and workers had formed a procession and commenced distributing anti-Japanese, anti-Government, anti-Imperialistic literature, was brought up for trial before the Second Branch of the Kiansu High Court in Shanghai Mar. 30.

Loh was charged with "committing acts with intent" to injure the Republic of China. It was alleged that he had participated in the procession on Sunday morning on Yangtzepoo Road near Tengyueh Road, had distributed "anti-everything" literature and shouted "hit the foreigners, down with the foreigners," when the police were breaking up the gathering. The gathering had assembled in commemoration of the 25th anniversary of the execution of 72 martyrs following the uprising on the Yellow Flowers Hills in Canton, an abortive attempt to overthrow the Manchu regime." Upon being questioned by Judge Chow, the accused denied taking part in the demonstration and stated that the parade was held by students and that he was only an onlooker. He denied distributing pamphlets and shouting "down with the foreigners."

The prosecution stated that communistic literature was found in Loh's room in the Native City. Loh denied that the literature was his and stated that it belonged to another tenant. Pending further inquiries, the trial was postponed. Loh was ordered to be held in custody.

O. G. Steen Is Made a Vice-President of the Robert Dollar Co.

O. G. Steen, for many years stationed in the Dollar offices at Shanghai, was on Mar. 26 appointed a vice-president of the Dollar Steamship Co. to be in charge of the company's Asiatic business. Mr. Steen first came to the Far East in October, 1915, and worked here for many years immediately under J. Harold Dollar. When Mr. Dollar left for America about 10 years ago, Mr. Steen became manager of general affairs in the Far East. In his new post Mr. Steen will have charge of all Robert Dollar interests from Yokohama to Bombay. However, as the executive offices of the Company are maintained in Shanghai, Mr. Steen will continue to live here, his home being at 7 Rue Adina. Mr. Steen is a director in several other Shanghai business concerns, including the Shanghai Tug & Lighter Company. He is a member of the American Club, the Columbia Country Club and the Shanghai Club.

Death Occurs of Mrs. Isadora Fitch of Hangchow Christian College

The death occurred at her home in Hangchow March 27 of Mrs. Isadore Kloss Fitch, wife of Robert Fitch, president of Hangchow Christian College. Death was due to heart failure brought on by cancer and cold complications. Mrs. Fitch, together with her husband, had been actively engaged in mission and educational work in China for more than three decades. Robert Fitch is a brother of George A. Fitch, for many years general secretary of the Foreign Y.M.C.A. in Shanghai. The funeral was held at the Bubbling Well Cemetery Mar. 31.

Prof. G.M. Sinclair Addresses Shanghai University Club

In an address on "The Pacific Outlook" before the American University Club at its monthly tiffin in Shanghai Mar. 24, Prof. G. M. Sinclair, of the University of Hawaii and director of the Oriental Institute in Chicago, recalled that in 1750, more books had been published in the Chinese language than in all other languages combined. He also recalled Bertrand Russell's address of ten years ago, in which he declared that the Occident would face tremendous conflicts in 1936, unless people—and he meant the man in the street—took an inquisitive interest in pure truth.

China Realty Co. Wins Huge Mortgage Case Against Henry Sheng

Judgment for the full amount in favor of the plaintiffs was delivered last week by the First Special District Court in Shanghai in connection with an action brought by the China Realty Co. against Henry Sheng, a grandson of the late Sheng Kung-pao, a former high official of the Manchu regime, for the recovery of $980,000. This amount represented a loan by the plaintiff for the mortgage of defendant's property known as B. C. Lot No. 12970, at the corner of Bubbling Well and Chengtu Roads, in 1933. The mortgage was due in March last year. The original amount of the mortgage was Tls. 650,000.

In the United States Court for China

JOHN E. NOELL, Plaintiff, vs. HELEN NOELL Defendant.	Cause No. 4010 Civil No. 1906 ORDER Filed at Shanghai, China, March 23, 1936. William T. Collins, Clerk. L. T. Kenake, Asst. Clerk.

The object of this suit is an action for divorce,

WHEREAS, plaintiff herein, by his attorneys, has this 23rd day of March, 1936, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 11th day of February, 1936, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 23rd day of March, 1936, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has he ever resided therein, and that defendant's last known address was General Delivery, Portsmouth, Virginia,

NOW, THEREFORE, it is this 23rd day of March, 1936, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review*, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occuring after the 11th day of April, 1936, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China,
this 23rd day of March, 1936.

MILTON J. HELMICK,
Judge.

A.B.C. PRESS, SHANGHAI
Printing
in all its Branches

Your work
should bear
our imprint

The National City Bank of New York, Rates of Exchange

Shanghai, April 1, 1936

Demand selling rate on America:	U.S. $1.00 = Sh. $ 3.36
Demand buying rate on America:	U.S. $1.00 = Sh. $ 3.31
Demand selling rate on London:	£1.00 = Sh. $16.69
Demand buying rate on London:	£1.00 = Sh. $16.44

New Books of Interest in the Far East

Life in Netherlands Indies Depicted in Novel

Medelon Lulofs.—The Other World. Translated from the Dutch by G. J. Renier and Irene Clephane. New York, The Viking Press, 1935. 494 pages. U.S, $2.50.

Considering the controversy which may arise over the question of accuracy in detail of a novel laid in the eastern hemisphere, it behooves the reviewer who has never visited Sumatra to move with caution in respect to the background of this story—the Sumatran rubber country. Madame Lulofs, the author, was born in Sumatra of Dutch parents, and reared in the atmosphere of the tropics. From personal observation she saw the feverish prosperity accompanying the rise in rubber prices during the war; she passed through the discouraging depression that followed the drop in price of this same rubber. Undoubtedly the economic situation and the exotic tropical conditions give a background against which character shows forth with intensity. The reviewer at least can recognize the artistry with which the Sumatran scene is used to develop the scene.

Pieter Vos, a scrawny, timid young Dutch lad, goes out to the rubber plantations in Sumatra with the hope there to find the things that to him spell success. He wishes wealth and the respect and admiration of his fellows. There is irony in the title, in that he carries with him the qualities which made misery for him at home in Holland. A measure of success follows on the great rubber boom, and he returns to Europe on furlough with some wealth and a wife, the cast-off mistress of his chief. But then comes a realization that the values for which he has so long struggled do not satisfy; he returns to Sumatra, "goes native" and finds his peace in a world removed from competition and business endeavor.

The novel moves slowly, being built up with much color and detail. The scenes on the boat going out from Holland as Vos tries to adapt himself to his new experience, the first experience of a sense of power which comes from riding in a first class railroad compartment, the impersonality of the great rubber companies, the longing for his old home in the midst of his love for his adopted home—these and dozens of other bits of description give a rich full flavor to the story. The characters are not too numerous for fine delineation.

The title carries the idea of Pieter Vos constantly seeking another world. This desire takes him to the East. The other world is not the obvious difference between the Orient and the Occident, nor yet the difference between riches and poverty. He does not find this other world in his disregard of conventions. Not until he dies, does the realization come to him that the world he seeks can be found in the depths of his own personality.

F.M.R.

Plain Tales from the Missouri Hills

Folk Tales of Missouri, by Earl A. Collins. The Christopher Publishing House, Boston, Mass., U.S.A.

Students and lovers of American folk-lore will find pleasure in this small volume. While the research has been neither profound nor exhaustive, the author gives new light on several familiar sayings such as "I'm From Missouri," You've Got to Show Me" and "Gone up Salt River"; relates delightfully some of the old fireside tales of primitive Missouri; gives interesting legends about the naming of various locations in the state, and tells of superstitions and ghost stories still believed or related by old settlers. There is value in preserving these folk tales and charm in Mr. Collins' telling of them.

There are familiar sayings that all Americans have heard such as that of the Pooseyite who, when asked what he did for a living, replied: "Wall, sometimes we jest set and think—and—sometimes we jest set." And there is the less known tale of these lazy folk of a certain section in the hills concerning pigs. A stranger saw a thin shoat lying on the porch of the village store and was shocked to learn the pig was six years old. "Why don't you all get some breeding stock down here?" he inquired, asserting that it was possible with proper stock to raise a pig in six months that would be fatter than this six-year-old. The native scratched his head and replied they had thought all this over but they couldn't see "that a danged pig is in no hurry."

Mr. Collins gives four versions concerning the origin of the saying "I'm From Missouri, You've Got to Show Me," but fails to give a version best known in Central Missouri. In Columbia and Jefferson City it is told that one former congressman from Missouri, Colonel Vandiver, was the author of this saying; that he used it in a fiery argument before Congress. He was opposing some bill he thought detrimental to his State and in answer to his opponent's arguments he shouted: "I'm from Missouri. You will have to show me." Colonel Vandiver, now deceased, used to tell about this speech of his and how the quotation became universal.

Whenever a political candidate is defeated in Missouri someone is sure to remark, "Yes, he's gone up Salt River." Mr. Collins states that this saying originated in a story of a man who insisted on running for office and after each defeat, because of sensitiveness, he moved a little further up a small stream called Salt River. The legend of Terrell Springs," the fountain of speaking waters" is as lovely a fairy story as could be found. Many readers will be surprised to find that even in Missouri there is a spot believed by some to have been the Garden of Eden and a hill on which Adam and Eve were supposedly buried. The tales come from all sections of Missouri. Some have been told from one generation to another as fact, a few admittedly were told as "whoppers". There is humor and pathos and always human interest in them for they give so much of the philosophy and habits of pioneers in the Middle West.

S. L. W.

"Chinese Economic Bulletin" Contains Valuable Trade Information

The *Chinese Economic Bulletin* for March, published by the Bureau of Foreign Trade at 1040 North Soochow Road, Shanghai, contains a wealth of valuable matter to those interested in the trade of China. Among the more important articles are the following: Promotion of Productive Reconstruction, With A View To Overcoming National Emergency, by Dr. H. H. Kung, Minister of Finance; China's Cotton Industry During 1935; China's Silk Trade During 1935; Hunan: An Economic Survey; Regulations Governing the Operation of Local Government Railways; Regulations Governing the Operation of Private Railways; Reorganization of the China Merchants S. N. Company; Measures Governing the Conversion of Domestic Bonds; Regulations Governing the Issuance of the Recovery Loan; Revised Documentary Stamp Tax Law; Chinese Government Foreign and Domestic Loan Issues Outstanding January 1, 1936, by E. Kann and J. Baylin; National Revenue and Expenditure during 1933/34; Shanghai Price Indexes for January, 1936; Notes on Finance, Commerce and Industry; China's Foreign Trade in January, 1936; Shanghai Raw Silk Exports for February, 1936, etc.

Political Refugees—an International Problem

Foreign Policy Reports for Feb. 12 contains a discussion of the International Problem of Refugees, by Norman Bentwich. The Jews, the Russians, the Greeks and the Armenians are shown to be the nationalities which have suffered most in recent years.

Movement for World Christianity Explains Objects in Pamphlet

The Movement for World Christianity (formerly known as the Modern Missions Movement), with offices at 140 South Dearborn Street, Chicago, the acting president of which is Harold Leonard Bowman, has issued a brochure explaining the purpose and program of the Movement. The Movement grew out of a meeting held in May of 1935, at the Colgate-Rochester Divinity School, Rochester, New York. The meeting was called, after a year of experimentation by the Modern Mission Movement, to take counsel with churchmen who have at heart the strenghtening of the missionary enterprise. The Movement regards itself as an outgrowth of a succession of developments in relation to the missionary enterprise. Among these were a series of objective inquiries into the work of the Christian churches in non-Christian lands, such as Burton Educational Commission (1922) and the Lindsay Commission on Higher Education in India (1931). The Movement is an independent organization only in the sense that it is not officially the creature or representative of any denomination or other ecclestiastical body. One of the objects of the Movement is to organize national and regional intitutes for the consideration of major porblems of concern to the Church, at home and abroad, in relation to the world mission of Christianity, in the light of results of surveys and inquiries of its own and of others, including those unchristian and evil contacts, whether excessive exploitation, nationalism, racial antagonism or excessive culture pride, which poison and corrupt the interflow of good-will and the exchange of spiritual goods; focussing the attention both of the Church and of the general public upon these issues, and suggesting pratical procedures in relation to them.

Membership in this Movement for world Christianity is open to all who declare in writing their desire to affiliate and to share in furthering its purpose. The members elect the Executive Committee. There is no membership fee. The Movement depends for its chief support on the voluntary contributions of individuals and churches. As it conceives its relationship and responsibility to be primarily to individual churches of the several communions, it looks to them for its principal financial support. The annual budget of the Movement for the first full year is $23,500, of which $13,500 is for the Research Department and $10,000 for the educational service and general expenses. Full details of the budget are available on request to the office in Chicago.

Dr. Ma Yin-chu Discusses Interesting Phases of China's Import and Export Trade

Interesting suggestions for ascertaining the actual position of China's foreign trade were made by Dr. Ma Yin-chu, Chairman of the Finance Committee of the Legislative Yuan, in an interview Nanking Mar. 28. China's foreign trade balance at present is based mainly on the Customs returns, Dr. Ma pointed out. Such statistical data, however are confined to the imports and exports actually passing through the Customs, and do not represent the total actual import and export trade of the country. For instance, Dr. Ma explained, the import returns of the Customs do not take into consideration the goods smuggled into the country without paying Customs duty. Moreover, in the case of exports, the Customs authorities have a peculiar, almost incomprehensible, practice of under-estimating the value of exports. Even the Customs officals do not know why this practice is adhered to, and which can only be regarded as a hoary tradition. The actual amount of imports and exports should therefore be higher than the Customs returns, Dr. Ma pointed out. Furthermore, Dr. Ma continued, to ascertain whether this country is suffering from an excess of imports over exports, that is to say, whether the national wealth is flowing abroad, several other factors must be taken into consideration.

For instance, the money spent by Chinese students in foreign countries should be regarded as an outflow of national wealth. On the other hand, the remittances from overseas Chinese should be considered as an increase to our national wealth. In this category should also be included the funds spent by foreign nationals and missionaries as well as the foreign educational, naval and military authorities in China.

Statistics based on these factors, it is understood, are being compiled by the Research Department of the Bank of China, Dr. Ma added.

Dyke Gap at Tungchuang Is Finally Closed

The dyke gap at Tungchuang, through which the Yellow River flood waters poured out and wrought immense havoc to vast areas of land last July, was finally closed in the night of March 27. With a large army of trained laborers working day and night, the two approaches of dyke closure were gradually brought together. From 100 cubic meters per second in the morning, the river flow at the gap was reduced to only 30 cubic meters per second in the afternoon. The gap was completely closed about 6 o'clock.

Thousands of laborers and officials burst into cheers as H.Y. Kung, chairman of the Yellow River Commission, gave the word for the last of the huge stone blocks to be thrown into place.

$20,000 For Dyke Gap Closing Work in Liutang River, North Kiangsu

A sum of $20,000 has been set aside by the Kiangsu provincial government for purchase of materials for the closing of the dyke gap at Liutang river in north Kiangsu caused by last summer's flood. The magistrates of Tunghai, Kwangyun, Shuyang, Liensui and Szeyang, the districts which were most seriously hit by the flood, have been ordered to be jointly responsible for the repair work. Meanwhile, dyke repair work along the Hungtse Lake is progressing apace with 4400 laborers taking part.

Peiping Students Again Clash with Police

Another clash between students and the police occurred in Peiping, Mar. 31, resulting in several policemen being injured and a few students arrested. Carrying with them an empty coffin, a group of students numbering 400 strong, staged the demonstration despite the opposition of their school authorities. The group held a meeting at the Peking National University to devise measures to secure the release of the arrested students. Before the police arrived on the scene, the students managed to escape from the campus and again assembled at Peichitze in the east city, where they started their parade. A clash then followed when the police intervened. The crowd was dispersed after several of the students were arrested and some policemen injured.

China Defeats Japan in Ping-Pong Contest at Y.M.C.A. in Tientsin

The first international ping-pong contest in Tientsin was held Mar. 29, when China defeated Japan by seven matches to nil at the Japanese Y.M.C.A. gymnasium. The miniature tennis game seems to be the latest fad in North China, competitions between various teams being frequently held.

In Peiping the Five-University Athletic League has also organized a Ping-pong tournament, besides basketball, baseball, track and field, volleyball, soccer. The five universities are Tsing Hua, Yenching, National Peking, National Normal and Catholic.

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Japanese Report Alleges French Concession Authorities Countenance Red Activities

A Japanese news agency during the week circulated reports in Japan newspapers regarding the alleged activities of communists in the French Concession in Shanghai.

The report stated that "information reaching an authoritative source from Shanghai suggests the communists have established their base of operations in the French Concession. "Since the conclusion of the Franco-Soviet mutual assistance pact," said the report, "the authorities of the French Concession are alleged to have countenanced Communist activities. As a result, Soviet and Chinese Reds now effect contact through the Concession, which has become the base for Communists' agitations and intrigues in Shanghai." As an example of this state of affairs, the report cited the recent "anti-Japanese riots" by students of Fuhtan University which, it declared, were "staged with the French Concession as their base."

Seiichi Uyeda, chief of the police section of the Japanese Consulate General in Shanghai, in an interview stated that the Japanese authorities here gave no credence to the report.

Smuggled Sugar Detained in Tientsin

The first test case of the Customs authorities against smuggling activities was reported early this week at the Tientsin-Pukow Railway. Two carloads of smuggled sugar of foreign origin were discovered at Tientsin on Sunday night ready for transportation to the interior. Upon finding that the shipments were without Customs import duty receipts, the railway authorities refused to let the shipments go. Shortly afterwards, information from the railway circles states, "certain" persons arrived at the station to question the authority of the railway in detaining the goods. Meanwhile, despite the enforcement on Mar. 21 of the anti-smuggling measures at the railway stations in Tientsin, smuggled goods continue to pour into Tientsin through the so-called East Hopei Autonomous region.

American Agricultural Expert Coming to China to Advise on Rural Reforms

Dr. Hayes, well-known American agricultural expert and professor of the University of Minnesota, is on his way from the United States to China aboard the *Empress of Russia*, due here no April 6. Dr. Hayes is making the trip at the invitation of the National Government to advise the National Rice and Wheat Improvement Institute on problems relating to rural reforms. The first thing he will do, it is learned, will be to conduct an investigation of all the leading agricultural research stations in China, following which he will give a series of lectures on agricultural problems. Dr. Hayes' stay in China will be one year, during which he will also preside over the 5th Agricultural Conference to be held this fall under the auspices of the National Agricultural Research Bureau.

Ten-Province Administrative Meet to Be Held at Nanking

A ten-province administrative conference has been called to meet in Nanking on April 25 by General Chiang Kai-shek, President of the Executive Yuan. The conference, which will be convened for the purpose of devising ways and means of improving efficiency and raising the standard of work, will be attended by all the special administration inspectors in the ten provinces, namely, Kiangsu, Chekiang, Anhwei, Kiangsi, Hunan, Hupeh, Fukien, Shantung, Honan and Shensi. Education affairs commissioners in these provinces will also be asked to attend the meet.

Two Formosans Steal 32 Typewriters from Tung Wen University

Two Formosans (Teng Hsu-ling and Liu Yu-mei) are under detention by the Japanese authorities in Shanghai on a charge of having stolen 32 typewriters, valued at $6,500 from the typewriting classroom of Tung Wen college. Investigations by the Police showed that the two accused had proceeded to the premises in a taxicab and got the typewriters out through a window, after gaining entrance to the premises, using an improvised ladder made of desks for the purpose. Tung Wen College is now closed on account of spring vacations, hence the men were able to work undetected. They pawned the machines at various places in the French Concession and the International Settlement. They were sentenced to 29 days imprisonment each.

Negotiations in Progress at Moscow for China to Buy More Soviet Pig Iron

Advices from Moscow during the week stated that negotiations are pending for shipments of Soviet pig iron to China. Unlike deliveries to Japan, the export of Soviet-Russian pig iron to China has been fairly limited up to now, the whole turnover during 1935 having amounted to 12,146 tons, valued at 131,000 Roubles. The most important buyer of Russian pig iron during 1935 was Japan with 168,770 tons.

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Japan's Program in North China, an exposition of the Imperial Army's view, written by Gen. Hayao Tada, Commander of the Japanese forces at Tientsin. This declaration which aroused world interest constitutes the best explanation of Japan's attitude in fostering an "autonomy" movement in the five Chinese provinces, Hopei, Shantung, Shansi, Chahar and Suiyuan, Price 40c

China and the European Situation, an exposition of the new situation which has developed as a result of the Italo-British-Ethyopian Crisis, written by a well-known authority, Dr. Thomas F. Millard who recently returned from an extended trip to Europe and U. S. A., Price 15c

Why the United States Maintains its Full Naval Strength in the Pacific, an explanation of the developments since 1931 which have made it necessary for America to keep its full naval strength in Pacific waters, Price 15c

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Latest New York Stock Exchange Quotations

April 1, 1936

Stock Exchange— Business Done:-
Total Volume: 1,040,000 Shares

1935-36 High	1935-36 Low	Div. $ per sh.	STOCKS	Last Sale42 Mar. 30	Last Sale42 Mar. 31
13¾	4¼	0.10	Adams Express		
149⅝	110	4.00	American Can	117⅞	12
39½	20¼	0.60	American Cyanamid "B"	118¾	119⅜
9⅝	2	—	American & For. Power	36¼	36½
42	14	—	American & Foreign Pwr. $7 pfd.	8⅝	8¾
27¼	10½	—	American Radiator	37	37
177¼	98⅞	9.00	American Tel. & Tel.	22⅝	22¾
107	74⅜	5.00	American Tobacco "B"	163	164
23⅜	7½	—	American Waterworks	92¼	91½
36⅜	8	0.25	Anaconda Copper	21¾	21⅝
80	35⅝	2.00	Atchison, T. & S. Fe	34¼	34⅜
53½	15	—	Auburn	72¾	73½
24	7¼	—	Baltimore & Ohio	49⅝	49⅜
59⅜	21⅝	—	Bethlehem Steel	19¼	19⅝
26¼	6½	—	Boeing Airplane Co.,	55¾	56½
15⅞	8⅜	—	Canadian Pacific Railway	22⅝	22⅝
150	45⅝	—	Case, J. I.	121½	126⅝
47⅞	20¼	1.40	Chase National Bank	150	153
74	35	3.00	Chesapeake Corp.	39½	39⅝
60⅝	37⅛	2.80	Chesapeake & Ohio	64½	63
100⅝	31	4.00	Chrysler	57¼	56¾
20	3⅜	0.20	Columbia Gas & Electric	94⅞	96
24⅛	16½	0.60	Coml. Solvents	19	19¼
4⅜	0⅝	—	Commonwealth & Southern (ord.)	21	21¼
36⅞	15⅞	1.00	Consolidated Gas of N. Y.	3	3
15¼	6¼	0.25	Consolidated Oil	33⅛	33
38½	15⅜	.87½	Continental Oil	14⅛	14½
78⅝	60	3.00	Corn Products	36	36
73¾	17½	0.75	Douglas Aircraft	71	71½
150	86⅝	3.60	Du Pont de Nemours	68½	68¾
24¾	3¼	—	Electric Bond & Share	145	146½
41½	20½	0.80	General Electric	23¼	23
87½	30	1.80	General Foods	38⅛	38⅜
67	26⅝	2.00	General Motors	35	35¼
50	15⅝	1.00	General Railway Signal	65⅞	67½
22	14⅜	1.20	Gold Dust	45	45
30⅝	15⅜	—	Goodyear Tire & Rubber	19⅝	19¾
75½	44	1.00	Humble Oil	28⅜	28½
53⅛	22¼	1.00	International Nickel	71	71¼
19	5⅝	—	International Tel. & Tel	47⅝	48⅞
39	13¾	1.00	Kennecott	16¼	16⅝
55¼	31¼	2.00	Loew's Inc.	37¼	38
26⅛	18½	1.20	Lorillard	47⅝	47½
103	55	1.00	Monsanto Chemical	22⅞	22⅝
42½	21⅜	—	Montgomery Ward	101	99
41⅞	18½	1.00	National City Bank	40¾	42
25	12⅜	1.20	National Dairy Prods.	35⅜	35⅝
34¼	23¼	2.00	National Distillers	23¼	23⅛
14⅜	4⅜	0.60	National Power & Lt.	31⅜	31⅝
40⅜	12¼	0.10	New York Central	11¼	11¼
19¾	9	1.00	North American	34⅝	35¼
36½	13⅛	1.50	Pacific Gas & Electric	26½	26⅞
56¾	19	2.40	Pacific Lighting	30	30¾
12¼	3½	0.10	Packard Motors	51⅜	51
38⅝	17¼	1.00	Pennsylvania Railroad	11¼	11⅜
48½	18⅜	1.00	Phillips Petroleum	32⅝	32⅞
48¼	20⅜	2.40	Public Serv. of N.J.	48	48
14¼	4	—	Radio Corporation	41	41
58⅝	43¼	3.00	Reynolds Tobacco "B"	12⅝	12¾
56¼	22	—	Schenley	53½	53¼
69⅞	31	2.00	Sears Roebuck	46	45½
17	10⅝	0.40	Socony-Vacuum	65⅝	66⅜
28¼	10⅝	1.50	Southern California Edison	14	14¼
38½	19⅜	—	Southern Pacific	27	27
19¼	12½	0.80	Standard Brands	32¾	33
9¼	1½	—	Standard Gas & Electric	16¼	16⅜
69½	35⅝	1.00	Standard Oil Co. of N. J.	8	7⅞
71⅜	58¾	3.80	Sterling Products	65	65⅞
38¾	28⅜	2.00	Texas Gulf Sulphur	70¾	71¼
14⅝	4⅞	0.30	Transamerica	34½	34½
86¼	44	2.00	Union Carbide & Carbon	133⅞	134½
138¼	82½	6.00	Union Pacific	81½	82
31⅝	9⅞	—	United Aircraft (New)	131½	136¾
20	4½	—	United Airline Trans.	25	25
8¼	1½	—	United Corporation	18¼	18¼
19¼	9¼	1.00	United Gas Improvement	7½	7
52½	35¼	2.00	U.S. Indus. Alcohol	16½	16
67	9½	—	U. S. Rubber	48¼	50
29½	27½	—	U. S. Steel	28½	28⅝
26½	11¾	—	Vanadium	64	64⅞
14	2¼	—	Warner Bros. Pictures	22½	22⅝
121⅝	32⅝	1.75	Westinghouse Electric	115⅝	115¾
				114⅞	113½

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